



**METROPOLITAN EXPOSITION RECREATION COMMISSION**

# 2009-10 FY Preliminary Budget

## Budget Committee Meeting

February 17, 2009

Oregon Convention Center  
MERC Board Room  
777 MLK Boulevard  
Portland, Oregon

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**Metropolitan Exposition Recreation Commission**

**BUDGET DEVELOPMENT CALENDAR**

**January 23, 2009**

<b>Budget Development Process</b>		<b>Date</b>
MERC	Budget Committee Meeting - OCC King Board Room 11:00 AM - 1:00 PM Draft Budget Calendar & Assumptions Budget Overview	October 29
MERC	Budget Assumptions distributed to MERC Venues	October 30
Metro	Budget Preparation Materials - Metro Council Work Session	November 5
	<i>Holiday Veterans Day</i>	<i>November 11</i>
	<i>Holiday Thanksgiving</i>	<i>November 27</i>
MERC	Venues develop 2009-10 FY Budget and Five Year Capital Plan	November/December
MERC	Facility Directors and Operations Managers meet with MERC Construction Manager	November/December
PCPA	Present Proposed Capital Projects to the Friends of PCPA for approval	November/December
MERC	Venue Budgets Due (meet with Woolson, Taylor and Hill) <i>Robyn Williams</i> <i>Chris Bailey</i> <i>Jeff Blosser</i>	December 15 thru 19
MERC	Review venue budgets and develop Budget Committee materials	December 22 thru January 9
	<i>Christmas Day</i>	<i>December 25</i>
	<i>New Years Day</i>	<i>January 1</i>
MERC	Distribute Budget Committee Materials	January 14
MERC	Budget Committee Meeting - King Board Room 11:00 AM - 2:00 PM	January 23
	<i>Martin Luther King Jr. Day</i>	<i>January 19</i>
MERC	Distribute Commission Materials	January 21 or 22
MERC	Commission Meeting - Present Proposed Budget	January 28
Metro	MERC Budget due to Metro	February 20
MERC	Distribute Budget Committee Materials	February TBD (10 - 13)
MERC	Budget Committee Meeting - Approve Budget Proposal for submission to Commission MERC Board Room 11:00 AM - 1:00 PM	February 17
MERC	Distribute Commission Materials	February 18 or 19
MERC	Commission Meeting - Approve Proposed Budget for submission to Metro Council	February 25
MERC	Budget Committee Meeting - as needed Location TBD	March TBD
MERC	Distribute Commission Materials	March 19 or 20
MERC	Commission Meeting - Revise and Approve Proposed Budget	March 25
Metro	Present the Proposed Budget to Metro	April 2
MERC	Budget Committee Meeting - as needed Location TBD	April 22

**Metropolitan Exposition Recreation Commission**

**BUDGET DEVELOPMENT CALENDAR**

**January 23, 2009**

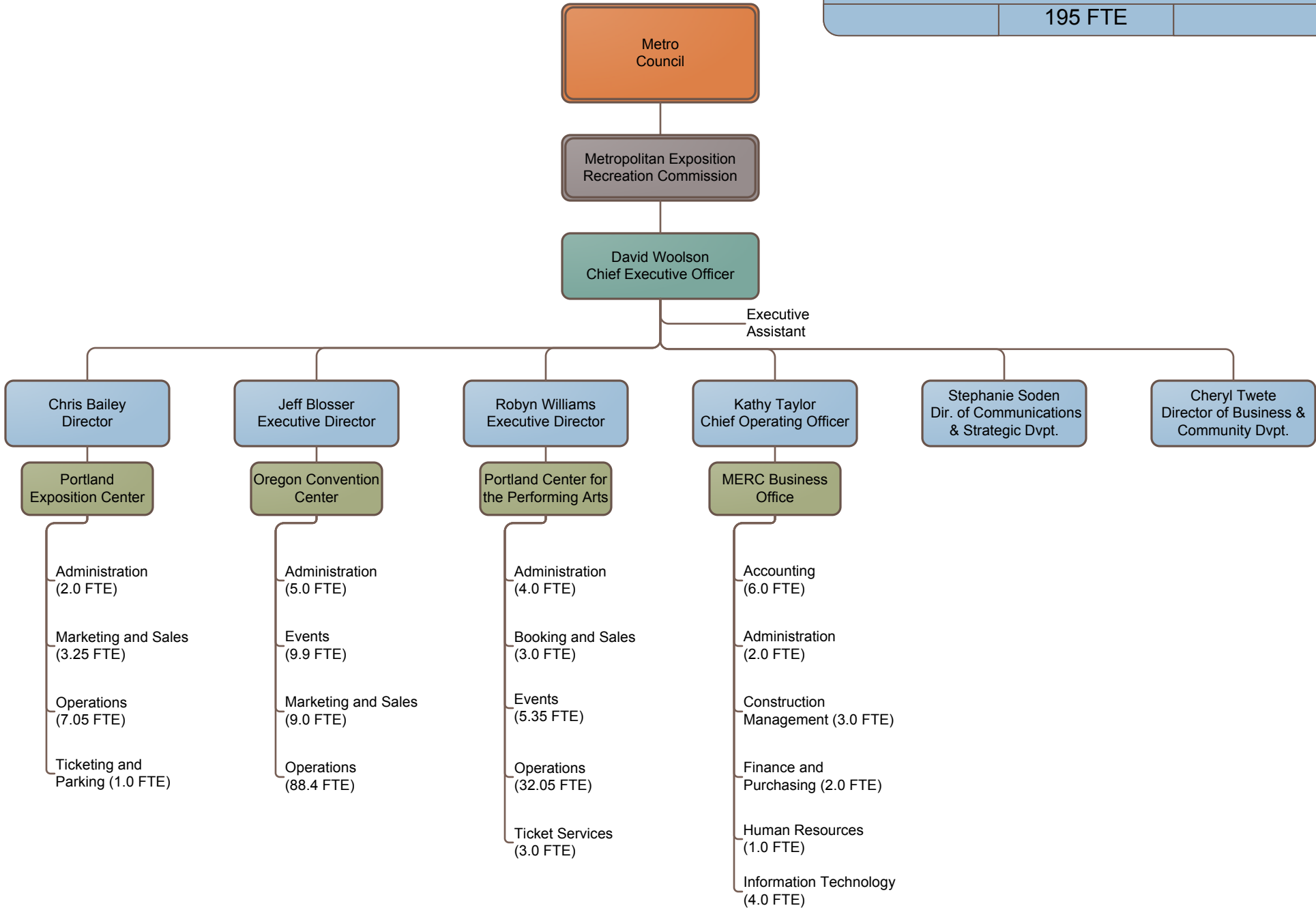
<b>Budget Development Process</b>		<b>Date</b>
MERC	Commission Meeting - Final Amendment to the 2009-10 Proposed Budget	April 22
Metro	Council Approves Budget for Transmittal to TSCC	April 30
Metro	Deadline to submit budget to TSCC	May 15
MERC	Commission Meeting - Final Amendments 2008-09 Current Year Budget	May 27
Metro	TSCC Public Hearing Council Chambers	June 4 12:30 PM - 2:00PM
Metro	Adoption of Final Amendments	June 11
Metro	Adoption of the Budget	June 18
MERC	Send MERC Budget Resolution to Multnomah County - VDF Request Attention: Bill Moravic -Mindi Harris - Harry Morton	June 25
MERC	Commission Meeting	June 17

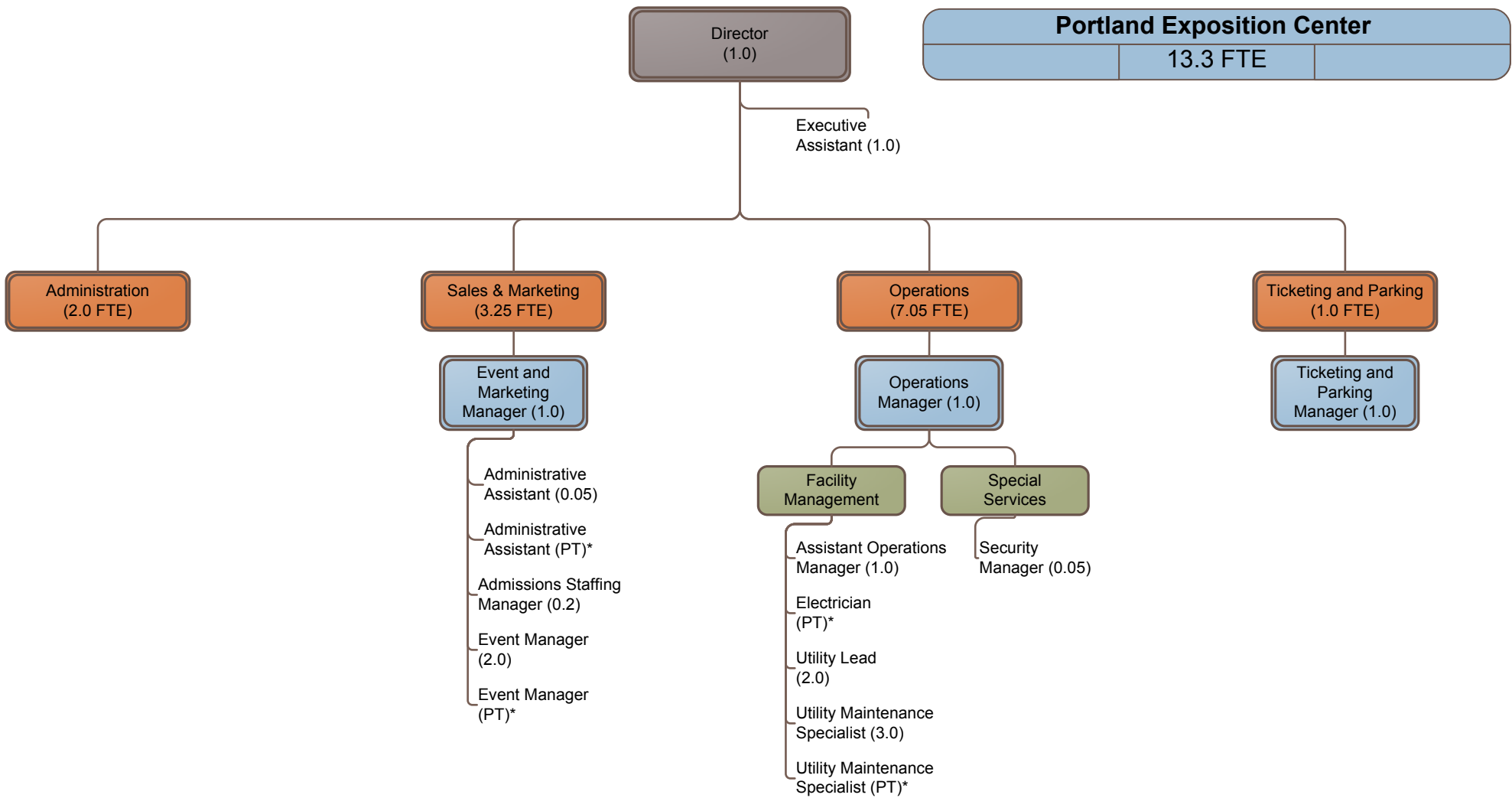
Budget Committee Meetings
Commission Meetings
Metro Meetings and Deadlines
<i>Holidays</i>

\* Council and Metro Dates are estimates and subject to change

**Metropolitan Exposition Recreation Commission**

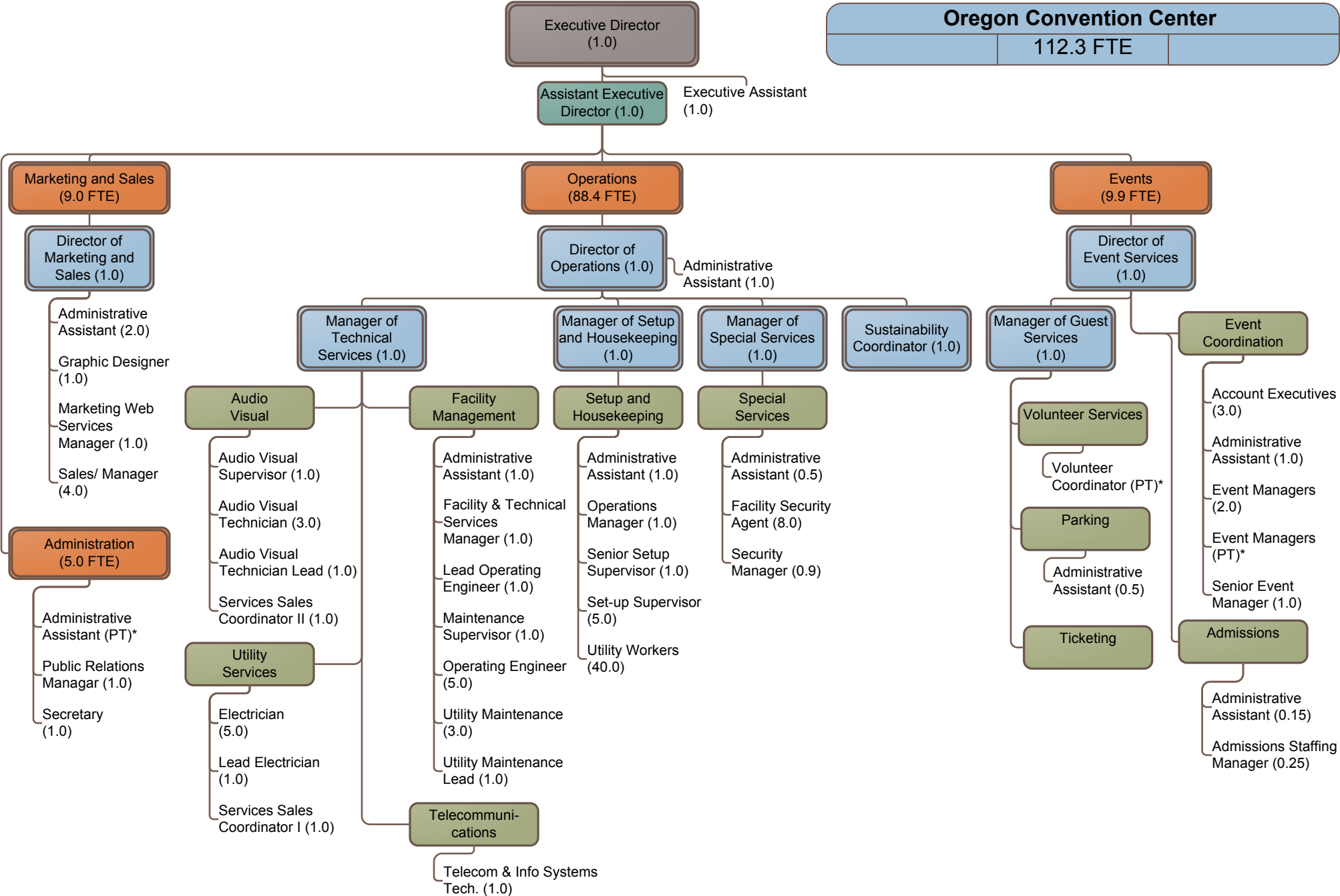
195 FTE





# Oregon Convention Center

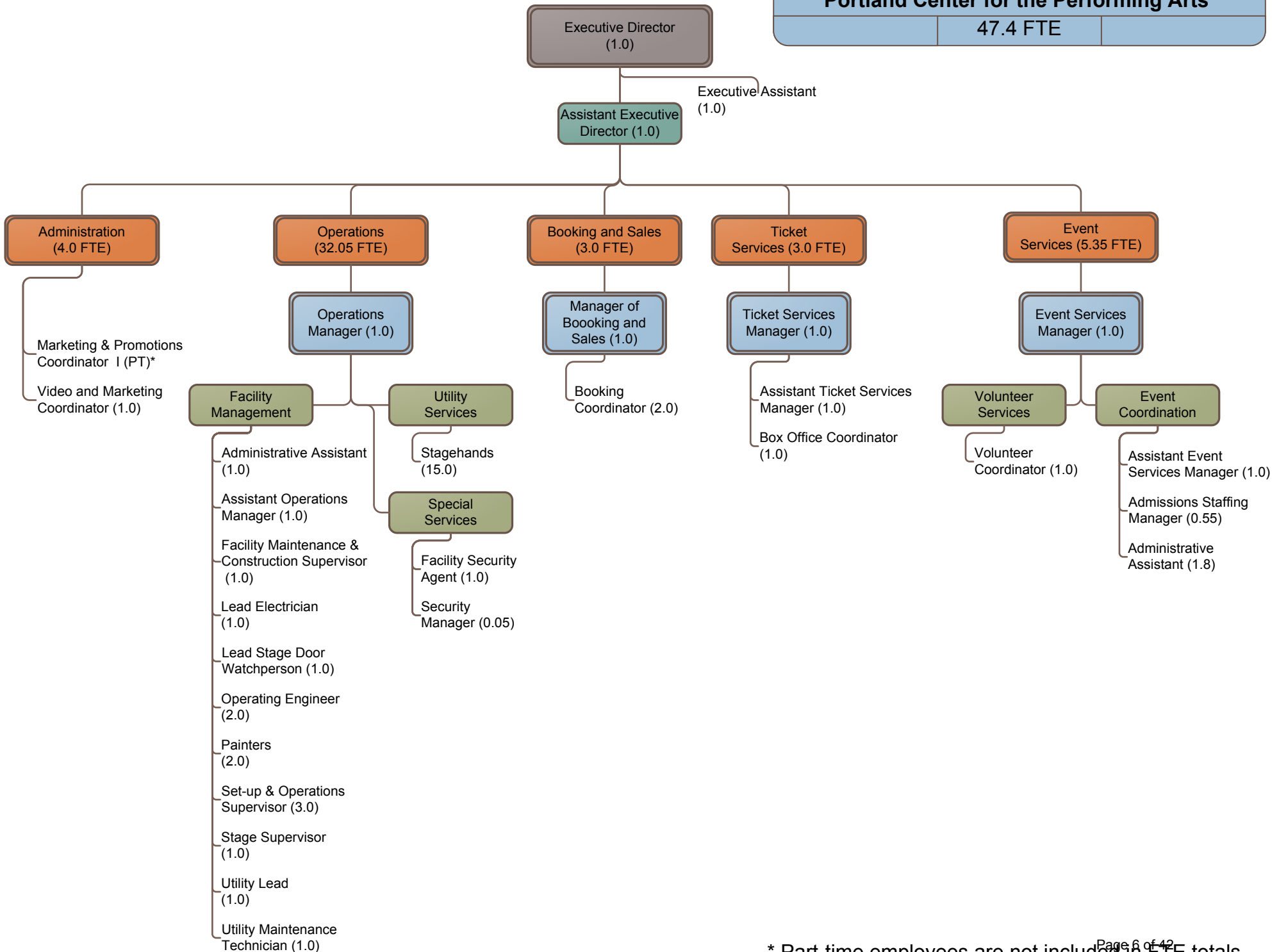
112.3 FTE



\* Part-time employees are not included in FTE totals

# Portland Center for the Performing Arts

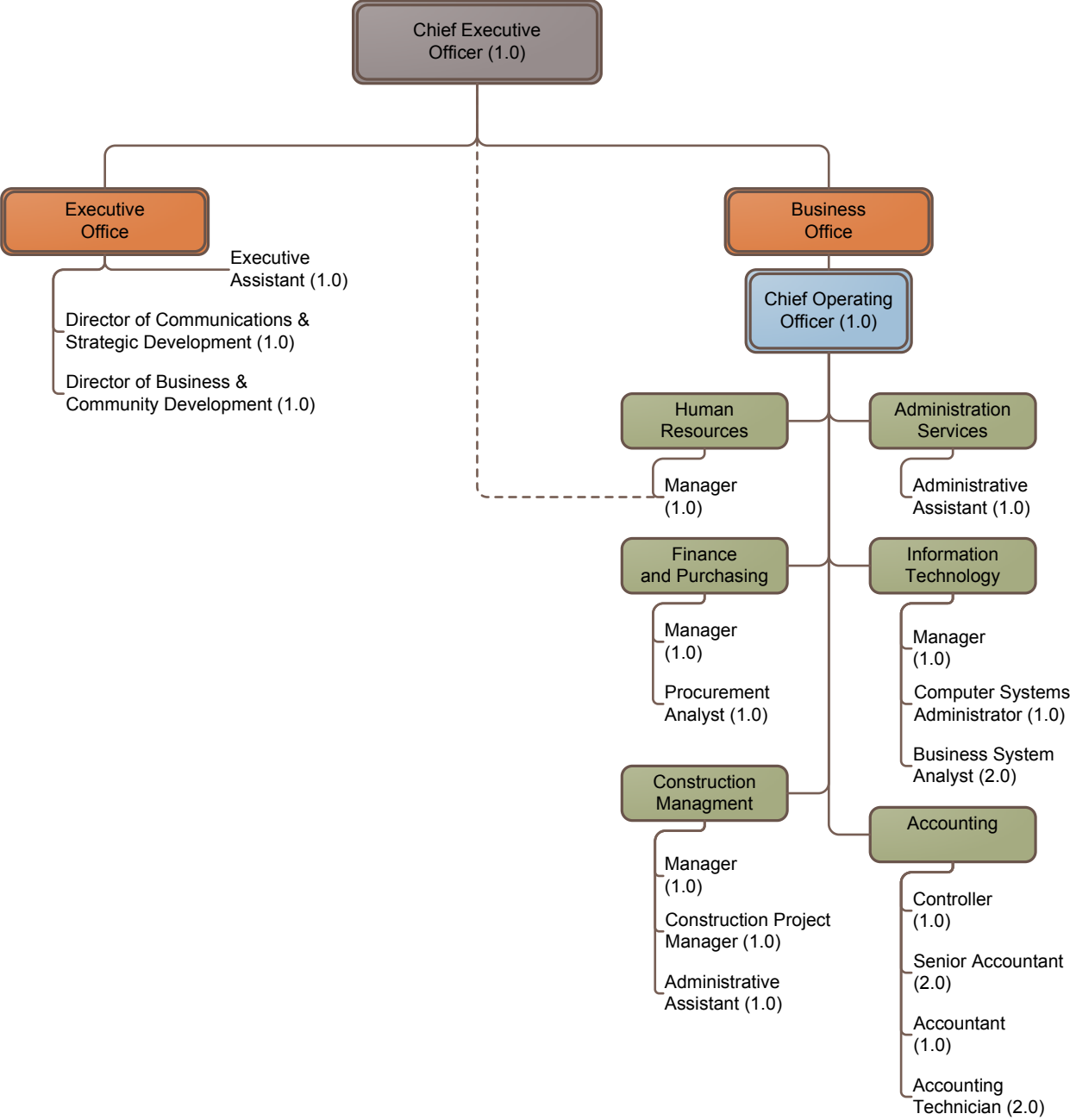
47.4 FTE



\* Part-time employees are not included in FTE totals



<b>MERC Administration</b>		
	22 FTE	



**Metropolitan Exposition-Recreation Commission  
MERC Proposed Budget**

**Seven Year Trend**

	<b>2009-10 Proposed Budget</b>	<b>2008-09 Adopted Budget</b>	<b>2007-08 Prior Actual</b>	<b>2006-07 Prior Actual</b>	<b>2005-06 Prior Actual</b>	<b>2004-05 Prior Actual</b>	<b>2003-04 Prior Actual</b>
	<b>June-10</b>	<b>June-09</b>	<b>June-08</b>	<b>June-07</b>	<b>June-06</b>	<b>June-05</b>	<b>June-04</b>
<b>Net Increase (Decrease) from Operations</b>	<b>900,147</b>	<b>1,770,393</b>	<b>5,659,047</b>	<b>4,662,405</b>	<b>3,975,139</b>	<b>3,706,399</b>	<b>2,011,130</b>
<i>Expo</i>	<i>1,006,292</i>	<i>1,177,812</i>	<i>1,640,729</i>				
<i>OCC</i>	<i>(255,286)</i>	<i>437,925</i>	<i>3,181,280</i>				
<i>HQH</i>	<i>-</i>	<i>(226,000)</i>	<i>(330,685)</i>				
<i>PCPA</i>	<i>(859)</i>	<i>281,825</i>	<i>746,790</i>				
<i>Admin</i>	<i>150,000</i>	<i>98,831</i>	<i>420,934</i>				
<b>Debt Service &amp; Transfer</b>	<b>(1,205,890)</b>	<b>(1,210,037)</b>	<b>(1,208,281)</b>	<b>(1,195,695)</b>	<b>(1,706,452)</b>	<b>(1,411,310)</b>	<b>(1,226,372)</b>
<i>Expo - Debt Service</i>	<i>(1,188,632)</i>	<i>(1,192,232)</i>	<i>(1,189,932)</i>				
<i>OCC - Debt Service</i>	<i>(17,258)</i>	<i>(17,805)</i>	<i>(18,349)</i>				
<b>A. Net Operations</b>	<b>(305,743)</b>	<b>560,356</b>	<b>4,450,767</b>	<b>3,466,710</b>	<b>2,268,687</b>	<b>2,295,089</b>	<b>784,758</b>
<b>Capital Outlay &amp; Expense</b>	<b>(3,571,678)</b>	<b>(2,453,869)</b>	<b>(954,075)</b>	<b>(2,421,241)</b>	<b>(2,605,588)</b>	<b>(1,526,598)</b>	<b>(1,871,391)</b>
<i>Expo</i>	<i>(367,500)</i>	<i>(180,000)</i>	<i>(9,049)</i>				
<i>OCC</i>	<i>(2,119,990)</i>	<i>(1,468,157)</i>	<i>(585,976)</i>				
<i>PCPA</i>	<i>(934,188)</i>	<i>(660,000)</i>	<i>(162,662)</i>				
<i>Admin</i>	<i>(150,000)</i>	<i>(145,712)</i>	<i>(196,388)</i>				
<b>Resources</b>	<b>2,701,678</b>	<b>1,513,816</b>	<b>222,863</b>	<b>2,513,638</b>	<b>1,176,953</b>	<b>3,115,834</b>	<b>902,628</b>
Revenue	2,009,188	767,672	222,863				
<i>Expo - F&amp;B</i>	<i>187,500</i>	<i>73,329</i>	<i>46,056</i>				
<i>OCC - F&amp;B</i>	<i>887,500</i>	<i>50,863</i>	<i>72,157</i>				
<i>PCPA - Friends, F&amp;B</i>	<i>934,188</i>	<i>643,480</i>	<i>102,789</i>				
<i>Admin</i>	<i>-</i>	<i>-</i>	<i>1,861</i>				
MTOCA - OCC	692,490	746,144	-				
<b>B. Net Capital</b>	<b>(870,000)</b>	<b>(940,053)</b>	<b>(731,212)</b>	<b>92,397</b>	<b>(1,428,635)</b>	<b>1,589,236</b>	<b>(968,763)</b>
<b>C. Fund Balance Inc (Dec)</b>	<b>(1,175,743)</b>	<b>(379,697)</b>	<b>3,719,555</b>	<b>3,559,107</b>	<b>840,052</b>	<b>3,884,325</b>	<b>(184,005)</b>
<b>Ending Fund Balance</b>	<b>24,526,518</b>	<b>25,702,261</b>	<b>26,070,021</b>	<b>22,350,466</b>	<b>18,791,359</b>	<b>17,951,307</b>	<b>14,066,982</b>

**Seven Year Trend**

	<b>2009-10 Proposed Budget</b>	<b>2008-09 Adopted Budget</b>	<b>2007-08 Prior Actual</b>	<b>2006-07 Prior Actual</b>	<b>2005-06 Prior Actual</b>	<b>2004-05 Prior Actual</b>	<b>2003-04 Prior Actual</b>
	<b>June-10</b>	<b>June-09</b>	<b>June-08</b>	<b>June-07</b>	<b>June-06</b>	<b>June-05</b>	<b>June-04</b>
<b>D. Fund Balance specifically restricted for Capital purposes</b>							
Contingency for Renewal & Replacement	970,000	520,000	295,000				
Designated for Renewal & Replacement	815,000	295,000	-				
Designated for Phase 3	1,339,841	1,154,728	944,840				
Restricted by Agreement - TLT	640,310	1,180,311	1,180,311				
	<b>3,765,151</b>	<b>3,150,039</b>	<b>2,420,151</b>				
<i>The projected FY 2010 decrease in Fund Balance results from strategic Capital Outlays. These investments use prior years' increases to the Fund Balance resulting from operations and lodging tax.</i>							
<b>E. Ending Fund Balance</b>	<b>24,526,518</b>	<b>25,702,261</b>	<b>26,070,021</b>	<b>22,350,466</b>	<b>18,791,359</b>	<b>17,951,307</b>	<b>14,066,982</b>
Beginning Fund Balance	25,702,261	26,070,021	22,350,466				
Fund Balance Inc (Dec)	(1,175,743)	(367,760)	3,719,555				
<b>Ending Fund Balance</b>	<b>24,526,518</b>	<b>25,702,261</b>	<b>26,070,021</b>				
Unrestricted Fund Balance	12,480,460	14,177,688	20,907,202				
Contingency	2,009,197	2,064,067	-				
Contingency for Renewal & Replacement	970,000	520,000	295,000				
<b>Total Available for Strategic Goal</b>	<b>15,459,657</b>	<b>16,761,755</b>	<b>21,202,202</b>				
Designated for Renewal & Replacement	815,000	295,000	-				
Designated for Phase 3	1,339,841	1,154,728	944,840				
Contingency for HQH	3,700,000	3,700,000	-				
Contingency for HQH (PERS Rsvr - Prior)	1,486,398	1,704,212	94,306				
Designated for PERS Reserve - Current	375,932	-	-				
Designated for PERS Reserve - Prior	709,380	812,505	2,460,862				
Restricted by Contract - Aramark	-	93,750	187,500				
Restricted by Agreement - TLT	640,310	1,180,311	1,180,311				
<b>Designated and Restricted</b>	<b>9,066,861</b>	<b>8,940,506</b>	<b>4,867,819</b>	3,275,938	2,426,998		
<b>Ending Fund Balance</b>	<b>24,526,518</b>	<b>25,702,261</b>	<b>26,070,021</b>				
<b>F. Strategic Goal</b>	<b>15,107,354</b>	<b>15,007,602</b>	<b>13,939,240</b>	<b>12,383,841</b>	<b>11,198,977</b>		
Available for Strategy Goal	15,459,657	16,761,755	21,202,202	19,074,528	16,364,361		
<b>Excess (Gap)</b>	<b>352,303</b>	<b>1,754,153</b>	<b>7,262,962</b>	<b>6,690,687</b>	<b>5,165,384</b>		

**Seven Year Trend**

	<b>2009-10 Proposed Budget</b>	<b>2008-09 Adopted Budget</b>	<b>2007-08 Prior Actual</b>	<b>2006-07 Prior Actual</b>	<b>2005-06 Prior Actual</b>	<b>2004-05 Prior Actual</b>	<b>2003-04 Prior Actual</b>
	<b>June-10</b>	<b>June-09</b>	<b>June-08</b>	<b>June-07</b>	<b>June-06</b>	<b>June-05</b>	<b>June-04</b>
<b>G. TLT &amp; VDI included above</b>	<b>11,002,301</b>	<b>11,114,685</b>	<b>11,112,056</b>	<b>9,360,038</b>	<b>8,769,877</b>	<b>7,683,769</b>	<b>7,893,216</b>
<b>OCC</b>	<b>8,975,971</b>	<b>9,032,707</b>	<b>9,115,656</b>				
TLT	7,903,290	7,560,026	8,319,253				
Excess over 7%			481,426				
OCC up to 7% increase			7,837,827				
VDI	660,000	1,060,000	400,000				
Enhanced VDI	412,681	412,681	396,403				
<b>PCPA</b>	<b>2,026,330</b>	<b>2,081,978</b>	<b>1,996,400</b>				
TLT	1,433,334	1,488,982	1,433,334				
VDI	592,996	592,996	563,066				
<b>Annual % Increase</b>	-1%	0%	19%	7%	14%	-3%	
<b>Actual in excess of budget</b>	**	**	1,692,807	565,710	1,211,153	683,106	(530,999)
4 year accumulation			2,258,517	1,776,863	1,894,259		(funded by city)
<b>What if TLT Declines for FY 09, FY 10?</b>		VDI has \$3M fund balance - adequate to fund 2 years before PCPA impact					
FY 09 down 5%; FY 10 down 10%							
<b>OCC</b>	7,112,961	7,903,290					
Reduction	790,329	(343,264)					
<b>PCPA</b>	1,225,500	1,361,667					
Reduction	207,834	127,315					
<b>Total for -5%, -10%</b>	<b>998,163</b>	<b>(215,949)</b>					
FY 09 down 5%; FY 10 down 5%							
<b>OCC</b>	7,508,126	7,903,290					
Reduction	395,164	(343,264)					
<b>PCPA</b>	1,293,584	1,361,667					
Reduction	139,750	127,315					
<b>Total for -5%, -5%</b>	<b>534,915</b>	<b>(215,949)</b>					
FY 09 down 10%; FY 10 down 10%							
<b>OCC</b>	6,738,595	7,487,328					
Reduction	1,164,695	72,698					
<b>PCPA</b>	1,161,000	1,290,000					
Reduction	272,334	198,982					
<b>Total for -10%, -10%</b>	<b>1,437,029</b>	<b>271,680</b>					

**Seven Year Trend**

		<b>2009-10 Proposed Budget</b>	<b>2008-09 Adopted Budget</b>	<b>2007-08 Prior Actual</b>	<b>2006-07 Prior Actual</b>	<b>2005-06 Prior Actual</b>	<b>2004-05 Prior Actual</b>	<b>2003-04 Prior Actual</b>
		<b>June-10</b>	<b>June-09</b>	<b>June-08</b>	<b>June-07</b>	<b>June-06</b>	<b>June-05</b>	<b>June-04</b>
H.	<b>Full Time Employees</b> excludes variable event and part time staff	<b>195.0</b>	<b>192.0</b>	<b>186.0</b>	<b>179.0</b>	<b>161.0</b>	<b>156.0</b>	<b>157.0</b>
	<b>Net Increase (Decrease) - 8 yr</b>	<b>6.80</b> 3.0 6.8	<b>6.0</b> 3.8	<b>7.0</b> (2.2)	<b>18.0</b> (9.2)	<b>5.0</b> (27.2)	<b>(1.0)</b> (32.2)	<b>(31.2)</b> (31.2)
	<b>Expo</b> 0.46	<b>13.3</b>	<b>13.3</b>	<b>13.3</b>	<b>13.3</b>	<b>13.3</b> (.54 Reclass) Utility Lead	<b>12.8</b> (2 Utility) (Utility Lead) Asst Ops Mgr	<b>14.8</b>
	<b>OCC</b> 8.68	<b>112.3</b> Public Relations Security	<b>110.3</b> Sustainability 2 Utility Set up	<b>107.3</b> Electrician Accounting Coord (V) Sales Manager (V)	<b>104.3</b> 2 Account Exec (Event Manager)	<b>103.3</b> (1.32 Reclass) 2 Utility Account Exec (Event) (Ground Maint)	<b>103.6</b> Sales Manager	<b>102.6</b>
	<b>PCPA</b> 24.21	<b>47.4</b> Marketing	<b>46.4</b> Maintenance Ticket Coordinator	<b>44.4</b> Painter	<b>43.4</b> 15 Stagehands (Previously excluded as variable event labor)	<b>28.4</b> 2.21 Reclass Booking Coord Bldg Main Supervr Asst Ops Mgr	<b>23.2</b> (0.4 Reclass)	<b>23.6</b>
	<b>Admin</b> 5.65	<b>22.0</b>	<b>22.0</b> Bus Analyst -IT trainer Dir of Bus Dev (PR Admin)	<b>21.0</b> MBO Admin Construction Admin PR Admin	<b>18.0</b> Bus Analyst - IT Procurement	<b>16.0</b> (.35 Reclass)	<b>16.4</b> 0.4 Reclass	<b>16.0</b>

2002-03 for comparison 188.2 total, 15.9 Expo, 131.8 OCC, 28.3 PCPA, 12.3 Admin

**Seven Year Trend**

	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>	<b>2004-05</b>	<b>2003-04</b>
	<b>Proposed Budget</b>	<b>Adopted Budget</b>	<b>Prior Actual</b>	<b>Prior Actual</b>	<b>Prior Actual</b>	<b>Prior Actual</b>	<b>Prior Actual</b>
	<b>June-10</b>	<b>June-09</b>	<b>June-08</b>	<b>June-07</b>	<b>June-06</b>	<b>June-05</b>	<b>June-04</b>
<b>J. Metro Support, Risk, MTOCA</b>							
<b>#</b>							
<b>MERC Resources to Metro</b>				<i>EBMS</i>			
Support Services	2,027,653	1,842,802	1,521,312	1,663,955	1,732,213	1,461,856	
Annual % increase	10%	21%	-9%	-4%	18%		
Legal - Direct		104,000					
Risk Management for insurance & work	488,572	582,761	547,706	564,167	536,709	534,717	
Annual % increase	-16%	6%	-3%	5%	0%		
<b>Total Support</b>	<b>2,516,225</b>	<b>2,529,563</b>	<b>2,069,018</b>	<b>2,228,122</b>	<b>2,268,922</b>	<b>1,996,573</b>	
Annual % increase	-1%	22%	-7%	-2%	14%		
Excise Tax - Facility	944,807	944,807	944,807	1,609,135	716,558	730,117	
Excise Tax - Food & Beverage	771,382	771,382	771,382		690,096	844,664	
<b>Total Excise Tax</b>	<b>1,716,189</b>	<b>1,716,189</b>	<b>1,716,189</b>	<b>1,609,135</b>	<b>1,406,654</b>	<b>1,574,781</b>	
<b>Transfers to Metro</b>	<b>4,232,414</b>	<b>4,245,752</b>	<b>3,785,207</b>	<b>3,837,257</b>	<b>3,675,576</b>	<b>3,571,354</b>	
<b>Metro Resources to MERC</b>							
VDI Subsidy (support services)	-	-	-	-	192,943	89,268	
Support credit for sustainability		11,937					
MTOCA (for Capital)	692,490	746,144	669,720	652,113	636,208	504,000	
MTOCA excess collections	-	-	-	-	-	36,134	
<b>Transfers from Metro</b>	<b>692,490</b>	<b>758,081</b>	<b>669,720</b>	<b>652,113</b>	<b>829,151</b>	<b>629,402</b>	
<b>Net Transfer to Metro</b>	<b>(3,539,924)</b>	<b>(3,487,671)</b>	<b>(3,115,487)</b>	<b>(3,185,144)</b>	<b>(2,846,425)</b>	<b>(2,941,952)</b>	
<b>Net Transfer to Metro, without support</b>	<b>(1,023,699)</b>	<b>(958,108)</b>	<b>(1,046,469)</b>	<b>(957,022)</b>	<b>(577,503)</b>	<b>(945,379)</b>	

**Seven Year Trend**

	<b>2009-10 Proposed Budget</b>	<b>2008-09 Adopted Budget</b>	<b>2007-08 Prior Actual</b>	<b>2006-07 Prior Actual</b>	<b>2005-06 Prior Actual</b>	<b>2004-05 Prior Actual</b>	<b>2003-04 Prior Actual</b>
	<b>June-10</b>	<b>June-09</b>	<b>June-08</b>	<b>June-07</b>	<b>June-06</b>	<b>June-05</b>	<b>June-04</b>
<b>H. MERC Support</b>							
Accounting	540,691	520,300	483,495	-			
Construction Management	282,005	273,007	156,424		Direct Allocation	Direct Allocation	Direct Allocation
Information Technology	572,369	518,291	429,802	344,187	Direct Allocation	Direct Allocation	Direct Allocation
Human Resource	112,160	115,270	90,065	197,588			
Finance & Purchasing	194,454	84,527	-	-			
MERC Business Office	355,501	523,940	-	-			
MBO & MEO & Finance & Commission	-	-	843,013	945,102			
MERC Executive Office	590,465	385,899	-	-			
Public Affairs	275,493	435,604	160,568	142,514			
Board of Commissioners	11,850	17,300	-	-	-	-	-
<b>MERC Administration</b>	<b>2,934,988</b>	<b>2,874,138</b>	<b>2,163,366</b>	<b>1,629,391</b>	<b>1,339,304</b>	<b>1,238,013</b>	<b>1,073,208</b>
Capital Outlay	150,000	145,712	196,388	82,579	-		
<b>Total Expenditures</b>	<b>3,084,988</b>	<b>3,019,850</b>	<b>2,359,754</b>	<b>1,711,970</b>	<b>1,339,304</b>	<b>1,238,013</b>	<b>1,073,208</b>
<b>MERC Support Allocation</b>	<b>3,055,787</b>	<b>2,910,274</b>	<b>2,505,784</b>	<b>2,003,797</b>	<b>1,464,841</b>	<b>1,192,196</b>	<b>959,217</b>
Advertising, Commissions Revenue	38,500	38,500	40,466	39,388	45,845	41,985	34,089
Investment Revenue	30,000	24,195	39,911	(35,946)	(16,976)	(7,953)	3,297
<b>Total Resources</b>	<b>3,124,287</b>	<b>2,972,969</b>	<b>2,586,161</b>	<b>2,007,239</b>	<b>1,493,710</b>	<b>1,226,228</b>	<b>996,603</b>
<b>Inc(Dec) to MERC Fund</b>	<b>(39,299)</b>	<b>(46,881)</b>	<b>226,407</b>	<b>295,269</b>	<b>154,406</b>	<b>(11,785)</b>	<b>(76,605)</b>
Merge MBO and MEO	1,692,961	1,531,966	1,326,508	945,102			
				CEO 6 mo vacancy		CEO 6 mo vacancy	

# 2009-10 Preliminary Budget Overviews

Budget Committee Meeting February 17, 2009

## Budget Meeting Schedule

- October 29, 2008 Distribute and review budget schedule and assumptions
- January 23, 2009 Review Preliminary Budget and Five Year Capital Plan
- February 17, 2009 Review changes since January 23<sup>rd</sup> and approve a budget
- February 25, 2009 Proposed Budget recommendation to the MERC Commission

## Significant Issues

- The uncertainty of the economy and potential impact
  - Cancellation of events
  - Reduction of revenue - even without cancellations
    - Facility rental decrease if fewer exhibitors participate
    - Food and beverage revenue is lower due to fewer attendees
    - Parking revenue reduced due to fewer exhibitors and attendees
    - Use of other services may decline to reduce the cost of event promotion
- Transient Lodging Tax receipts are expected to be flat or decline
- Visitor Development Agreement
  - Assumes the 2008-09 Adopted Budget with zero increase for 2009-10. The Visitor Development Trust account has a \$3.1 million fund balance which funds the bucket accounts if Tax collections decline. Projections suggest MERC would not be negatively impacted during the current year or the 2009-10 FY.
- Headquarters Hotel
  - Contingency Resources for Headquarters Hotel Project \$5,186,398
    - PERS Reserves (excluding PCPA) \$1,486,398
    - From Oregon Convention Center fund balance \$3,700,000
  - Expenditures to be reimbursed if the bonds are issued
- Third year contribution to Renewal & Replacement for a total accumulated of \$2,965,310
  - 2009-10 Renewal & Replacement contribution \$970,000
    - EXPO \$ 20,000 Total \$ 60,000
    - OCC \$250,000 Total \$ 725,000
    - PCPA \$700,000 Total \$1,000,000
  - 2009-10 accumulated balance in Contingency for Capital (Transient Lodging Tax) \$1,180,310
    - 2005-06 \$ 82,369
    - 2006-07 \$616,516
    - 2007-08 \$481,426
    - 2009-10 Oregon Convention Center proposes to use \$540,000 for capital projects. (See Five Year Capital Plan)

## Operating Revenue, excluding Food & Beverage, is \$18,229,961 a 1% increase from 2008-09

- EXPO \$3.7 million operating revenue is 3% less than current year budget
  - Includes a 3% increase in building rental rates
  - Anticipates a 10% reduction in facility rental
  - Parking includes general public, exhibitor parking and the Tri-Met parking lot lease.
- OCC \$8 million operating revenue is 9% greater than current year budget
  - The number of conventions increase from 34 for this year to 41
  - Two major events have cancelled (Urban Land Institute and Intel DTTC)
  - Anticipate fewer local events
  - AV equipment purchases will decrease rental expense and increase service revenue
  - Parking revenue increase due to a greater emphasis on selling exhibitor parking
  - Second year of the self promoted "Achieve Green Event"
- PCPA \$6.5 million operating revenue is 4% less than FY 2008-09 budget
  - Assumes 9 weeks of Broadway compared to 14.5 weeks for the current year



- Commercial concerts budgeted at 2007-08 level
- Resident companies' usage is flat
- Ticket sales commission assumes an 11% increase due to \$ .05 ticket fee increase, \$50,000 volume rebate and early sales for Lion King in January 2010.
- Resident Companies' user fee will increase by \$ .025.

**Food & Beverage Revenues is flat at \$12.5 million same as the current budget**

- Food & Beverage Margin for Consolidated MERC is 21% which equals \$2.5 million net revenue. This is slightly less than the current year budget.
  - EXPO revenues \$2.1 million with a 26.4% margin
    - 2009-10 revenue is projected to be 1% less than current year with about the same margin.
  - OCC revenue \$8.6 million with a 21.1% margin
    - Revenue is projected to be 4% less than the current year budget with a comparable margin.
  - PCPA revenue \$1.4 million with 12.3% margin
    - Revenue is anticipated to be down 6% from the current year budget with fewer weeks of Broadway. Margin is projected to decline.

**Non - Operating Revenues**

- Transient Lodging Tax \$11,002,301
  - OCC is budgeted at 5% less than 2007-08 actual
  - PCPA is budgeted at 2007-08 actual
- VDI Enhanced Support
  - OCC \$660,000 request from the Visitor Development Fund.
  - PCPA \$592,996 same as 2008-09 Budget
- Enhanced Marketing \$412,681 same as 2008-09 Budget
- City of Portland - PCPA
  - Contractual support is \$760,926 – inflated each year by the annual Portland Salem CPI change
  - 50% dedicated to the upkeep of City owned facilities.
  - 50% dedicated to operations to off-set resident companies fee schedule
- Investment Earnings estimated at 2.5%

**Personal Services**

- Full time employee 195 FTE
- Part time employees 317 – direct labor that varies based on event requirements
- 3.00 FTE new positions are requested in the 2009-10 budget
  - Add 2.00 FTE new positions at OCC
    - Security Agent for the Graveyard Shift
    - Public Relations Manager
      - Convert .75 FTE part time Marketing Promotions Coordinator to full time Public Relations Manager.
  - Add 1.00 FTE new position at PCPA
    - Video System Coordinator agent dependent on receiving a Grant
      - Convert .75 FTE part time Marketing Promotion Coordinator to full time Video System Coordinator
- FTE changes during the 2008-09 fiscal year
  - Two .50 FTE IT positions were combined into 1.00 FTE Business System Analyst
  - Reclassify 1.00 FTE Public Relation Manager (vacant) to Director of Business and Community Development in Executive Office
- Salary and wage adjustments full-time non-represented
  - Merit Matrix pay increases and other adjustments 4.3%
  - Target Achievement Pay (TAP) 1.7%
- Represented Labor Groups
  - 4% inflation factor

## Materials and Services

- Utility increases expected to be greater than CPI
- Aramark food & beverage expenses \$9,579,028 for Consolidated MERC
- National Marketing Contract \$3,032,042 is budgeted at 2008-09 level with no increase for 2009-10.
  - Base contract \$2,066,103
  - Special marketing \$ 81,557
  - 2% for FAM, Sales Trips, Marketing \$ 41,702
  - to continue funding for FAM Trips, marketing
  - New marketing initiatives. \$ 250,000
    - Continues the \$100,000 VDI request
    - An additional \$100,000 VDI request
    - OCC \$50,000 contribution
  - OCC Sales & Marketing for advertising \$ 20,000
  - Destination marketing requested by VDI \$ 160,000
  - VDI Enhanced Marketing \$ 412,681
- Metro Indirect Cost/Support Services transfer has increased \$184,852 or 10% over the 2008-09 Adopted Budget.
- Metro Risk Management Services are \$94,190 less than 2008-09 Adopted Budget or 16% decrease.
  - Property Insurance based on property values
  - Liability allocated based on three year average losses
  - Workers' Compensation based on three year average losses

## Transfers

- Interfund Transfers In
  - \$692,490 incoming transfer from Metro Tourism Opportunity and Competitiveness Account (MTOCA). Three proposed Capital projects included on the OCC Five Year Capital Plan are intended to be funded by this source.
- Debt Service
  - EXPO bond payment for Hall D Replacement \$1,188,631
  - OCC LID payment for the Steel Bridge \$ 17,258

## Capital Projects

- Projects over \$100,000
  - OCC Moveable Air Wall Repair \$ 340,000
  - OCC Upgrade Kitchen Capacity (new F & B contract) \$1,000,000
  - OCC VAV Controllers & CO2 Sensors \$ 100,000
  - OCC Lighting Fixture Replacement & Upgrade \$ 200,000
  - OCC Add Automatic Hand Dryers to all Restrooms \$ 150,000
  - OCC Kinko's Remodel \$ 150,000
  - PCPA Hatfield Cultural Video Project \$ 522,188
  - PCPA Food & Beverage Capital Investment (new contract) \$ 175,000
  - EXPO Food & Beverage Capital Investment (new contract) \$ 187,500

## Five Year Capital Plan

- The five year Capital plan includes all projects and capital purchased over \$10,000 requested by venues. See attached Five Year Capital Plan.

## Results and Fund Balance

- Net decrease to fund balance is \$1,175,743
- Fund Balance is proposed to be \$24,524,518 which is \$1.2 million less than the current year budget Fund Balance.
  - \$9,066,861 of the Fund Balance is designated or restricted for a specific purpose.
  - Leaving \$154,459,657 million available for strategic fund balance
- Restricted and Designated
  - PERS Reserves, current and prior
    - PERS Reserves as established by Metro are \$375,932
    - PERS Reserve \$1.49 million and OCC fund balance of \$3.7 million dedicated to the headquarters hotel project for a total of \$5,186,398
    - Prior PERS Reserves of \$709,380 for PCPA are available for future projects.
  - Restricted fund balance for Capital from excess TLT is \$1,180,310 less \$540,000 for 2009-10 capital projects.
  - Designated User Fees for Expo Phase 3 construction estimated to be \$1,339,841(includes fees collected through 6/30/10)
    - Actual as of 6-30-2008           \$944,841
    - Estimate 2008-09               \$200,000
    - Estimate 2009-10               \$195,000
    - Use of Funds
      - Columbia River Crossing/Expo Master Plan Update in FY 2008-09 & 2009-10 FY is \$150,000

## Strategic Goal is \$15,168,391

- The Strategic Goal is \$15.1 million.
  - OCC               3 months operating expense
  - EXPO            6 months operating expense  
Annual debt service payment for Hall D replacement
  - PCPA            6 months operating expense
  - MERC           6 months operating expense
- Fund balance available to meet the goal is \$15.5 million.
  - Available funds include unrestricted fund balance and current year contingencies (except HQH contingency)
- The excess gap is \$352,303.

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## ***Personnel Request***

***Fiscal Year 2009-10***

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**ACTION REQUESTED:**

Adding new full time Security Agent to the Graveyard shift at the Oregon Convention Center

**POSITION # AND INCUMBENT:**

This would be a new position

**DUTIES AND RESPONSIBILITIES:**

Graveyard shift's main responsibilities are to monitor the cameras throughout the building, make sure the facility is secure at night inside and outside. Monitor the fire life safety system in case of emergencies and be the point of contact for police and fire. Monitor overhead doors and let show management into the facility after hours. Make rounds outside the building and contact individuals who are not suppose to be on premises at that time and take appropriate action when needed to protect the facility and grounds of the OCC.

**JUSTIFICATION:**

We currently are not fully staffed on graveyard and this position is being staffed by part-time staff on occasion. For safety issues and proper security procedures and needs of the Facility this position needs to be added. Part-time labor will be reduced to staff this position and will make sure we have two people on each shift as well as provide consistent security service to our clients and building staff working graveyard as well.

**BUDGET IMPACT** (for FTE increases or reclasses include only the new or additional cost):

	<u>Rate</u>	<u># of hours worked</u>	<u>Amount</u>	<u>Total</u>
Salary	\$15.41	2088	\$32,176	
Fringe:				
Variable-base fringe	17.88%		\$5753	
Variable-bond recovery	3.20%		\$1030	
Fixed	\$11,238		\$11,238	
Additional Costs:				
Computer			\$ _____	
Office set-up			\$ _____	
Other (specify) Uniforms, training and license			\$1000	
<b>TOTAL NEW COSTS</b>				<b>\$51,197</b>

**Anticipated Starting Date of Position: July 1, 2009**

Funding Source(s): OCC Operating Fund

***Personnel Request***

***Fiscal Year 2009-10***

**ACTION REQUESTED:**

Change part-time Marketing Promotions coordinator position to full time Public Relations Manager

**POSITION # AND INCUMBENT:**

Current Budget includes a vacancy for a .60 part time FTE, position 794. Part time position is currently budgeted at \$25,318.

**DUTIES AND RESPONSIBILITIES:**

**This position will assist the MERC's Director of communication and Strategic Development with public relations, communications, press activities and messaging for both MERC and OCC. Will work closely with the OCC staff on development of story lines, magazine advertising, and trade publications to help tell the OCC and convention business story both locally and to the industry. Will coordinate work through the Director's office and through the OCC Executive Director's office as well.**

**JUSTIFICATION:**

This position is an implementation of the strategic plan goals as well as making an emphasis on telling the MERC Facilities story of our importance to the community. Emphasis will on so be on supporting the marketing and sales efforts of the OCC through placement of stories about how OCC is impacting the industry and why it is important to bring your event to the convention Center.

**BUDGET IMPACT** (for FTE increases or reclasses include only the new or additional cost):

	<u>Rate</u>	<u># of hours worked</u>	<u>Amount</u>	<u>Total</u>
Salary	\$11.03	2088	\$23,031	
Fringe:				
Variable-base fringe	17.88%		\$4118	
Variable-bond recovery	3.20%		\$737	
Fixed	\$11,238		\$11,238	
Additional Costs:				
Computer			\$1500	
Office set-up			\$0	
Other (specify)			\$ _____	
<b>TOTAL NEW COSTS</b>				<b>\$40,624</b>

**Anticipated Starting Date of Position: July 1, 2009**

Funding Source(s): OCC Operating Fund

***Personnel Request***

***Fiscal Year 2009-10***

**ACTION REQUESTED:**

*Taking a part-time position budgeted at .75 to full time.*

**POSITION # AND INCUMBENT:**

Position 1012 Marketing & Promotions Coordinator

**DUTIES AND RESPONSIBILITIES:**

.75 of duties remain unchanged. New .25 duties will be to act as a video system coordinator for new Cultural Video Project at Hatfield Hall. Duties will consist of coordination and scheduling of arts education video.

**JUSTIFICATION:**

Cultural Video Project requires someone to coordinate and schedule arts education video content. Increasing this existing position by .25 is more cost effective than creating another part-time position-especially as the current employee has the skill set and desirability to take on this additional work.

**BUDGET IMPACT** (for FTE increases or reclasses include only the new or additional cost):

	<u>Rate</u>	<u># of hours worked</u>	<u>Amount</u>	<u>Total</u>
Salary	\$17.75/hr	2088	\$ 37,062	
Fringe:				
Variable-base fringe	17.88%		\$ 7,221	
Variable-bond recovery	3.20%		\$ 1,292	
Fixed	\$ 11,238		\$ 11,238	
Additional Costs:				
Computer				
Office set-up			n/a	
Other (specify)				
<b>TOTAL NEW COSTS</b>				<b>\$ 61,349</b>

**Note: Only  
\$27,812  
In "new" costs**

**Anticipated Starting Date of Position:**

Funding Source(s): Provide explanation of funding source(s) (e.g., excise tax, new grants, existing grants, other identified sources, etc.).

\$27,812 will be funded by Cultural Video Grants in FY 10 and 11. Increase contingent upon grant funding.

## Metropolitan Exposition Recreation Commission Transient Lodging & Rental Car Taxes

Revised 02/17/2009

### Metro/MERC Distribution

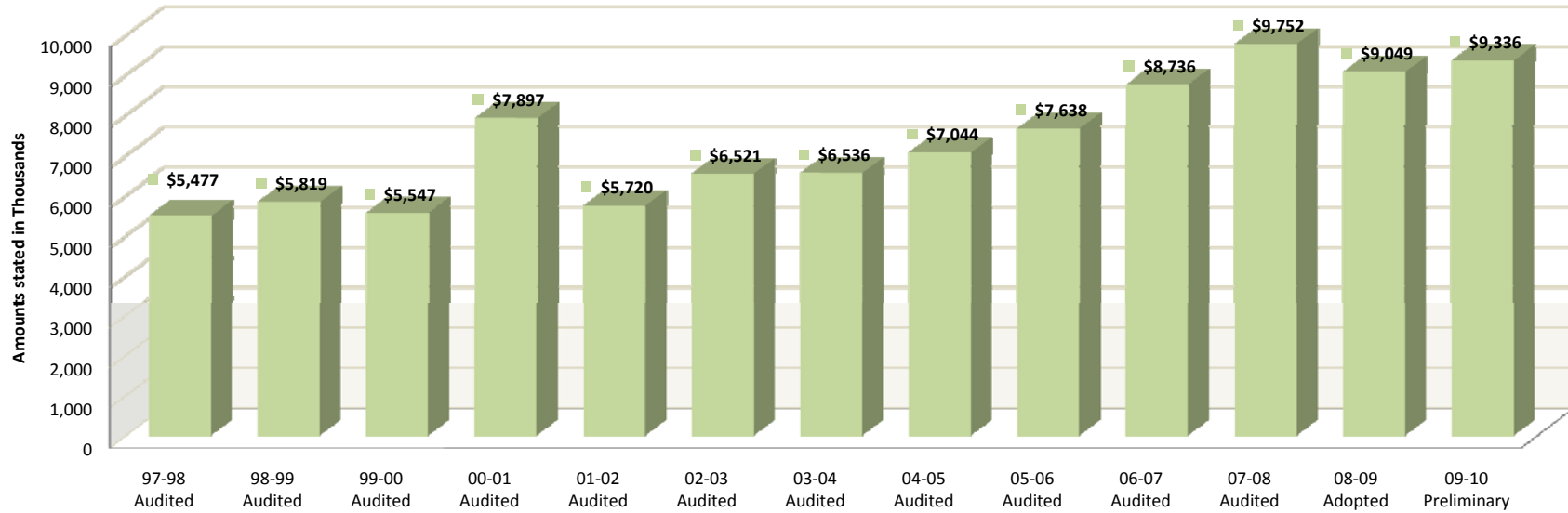
(stated in thousands)	Audited 97-98	Audited 98-99	Audited 99-00	Audited 00-01	Audited 01-02	Audited 02-03	Audited 03-04	Audited 04-05	Audited 05-06	Audited 06-07	Audited 07-08	Adopted 08-09	Preliminary 09-10
Hotel/Motel Tax for OCC	3,800	4,066	4,286	4,586	4,462	5,016	5,098	5,494	6,629 *	6,729	7,838	7,560	7,903
Hotel/Motel Tax for PCPA	1,200	1,248	1,261	1,300	1,258	1,335	1,438	1,550	927 *	1,391	1,433	1,489	1,433
For OCC Pooled Capital	477	505	-	2,011	-	170	-	-	82 *	616	481		
<b>Total Metro/MERC</b>	<b>5,477</b>	<b>5,819</b>	<b>5,547</b>	<b>7,897</b>	<b>5,720</b>	<b>6,521</b>	<b>6,536</b>	<b>7,044</b>	<b>7,638 *</b>	<b>8,736</b>	<b>9,752</b>	<b>9,049</b>	<b>9,336</b>
Percent change		106%	95%	142%	72%	114%	100%	108%	108%	114%	112%	93%	103%

### Total Metro/MERC VDI

(stated in thousands)	Audited 00-01	Audited 01-02	Audited 02-03	Audited 03-04	Audited 04-05	Audited 05-06	Audited 06-07	Audited 07-08	Adopted Budget 08-09	Preliminary 09-10
VDI for OCC (2001-06)	5,740	600	950	1,000	250	300	300	400	1,060	660
VDI Enhanced Marketing (POVA)	250	350	352	357	367	376	386	398	413	413
PCPA Visitor Development Fund	250	500	504	-	24	537	554	563	593	593
<b>Total Metro/MERC VDI</b>	<b>6,240</b>	<b>1,450</b>	<b>1,806</b>	<b>1,357</b>	<b>641</b>	<b>1,213</b>	<b>1,240</b>	<b>1,361</b>	<b>2,066</b>	<b>1,666</b>

\* FY 2005-06 includes a \$444,135 adjustment between OCC and PCPA reconciling PCPA to the annual CPI increase.

## Transient Lodging Tax





## Travel Portland National Sales Contract

Budget FY 2009-10	<u>Budget 08-09</u>	<u>Inflation Factor</u>	<u>Current Year</u>	<u>Budget 09-10</u>	<u>Increase over prior year</u>
<b>Base Contract:</b>					
Travel Portland (POVA) 2008-09	2,066,103	0.0%	-	2,066,103	-
Marketing	81,557	0.0%	-	81,557	-
<b>Total Base Contract</b>	<b>2,147,659</b>		-	<b>2,147,659</b>	-
<b>Additional Amounts:</b>					
2% for Fam, Sales Trip, Marketing	2,147,659		-	41,702	-
Headquarters Hotel Efforts	250,000		-	250,000	-
OCC Sales & Marketing Contribution	20,000		-	20,000	-
Additional Amount Approve June 6, 2008	160,000		-	160,000	-
New projects developed by OCC, Travel Portland, Tri-County Lodging to market the Portland destination for conventions and single hotel business					
<b>Total Additional Amounts</b>	<b>2,577,659</b>		-	<b>471,702</b>	-
<b>Total Travel Portland (POVA) Contract 2009-10 FY</b>				<b>2,619,361</b>	-
<b>VDI Enhanced Marketing</b>				<b>412,681</b>	
<b>Total National Sales</b>				<b>3,032,042</b>	

## FY 2009-10 Preliminary Cost Allocation Plan

DESCRIPTION	FY 2007-08 Actuals	FY 2008-09 Adopted Budget	FY 2009-10 Base Budget	\$ Change from 08-09 Adopted Budget	% Change from 08-09 Adopted Budget
<b>TOTAL ALLOCATED TRANSFERS (including Risk Management)</b>					
Planning Fund	2,745,758	2,950,045	2,861,756	(\$88,289)	-3.0%
Solid Waste Revenue Fund	3,397,066	3,878,905	4,358,531	479,626	12.4%
Zoo Operating Fund	2,361,829	2,728,681	2,745,004	16,323	0.6%
General Fund	1,201,871	1,280,763	1,208,910	(71,853)	-5.6%
MERC Operating Fund	2,066,618	2,529,563	2,516,225	(13,338)	-0.5%
Regional Parks Fund	1,153,754	1,100,143	1,327,726	227,583	20.7%
Nature in Neighborhoods	0	190,445	178,582	(11,863)	-6.2%
Natural Areas Bond	629,924	1,032,409	870,756	(161,653)	-15.7%
<b>Total</b>	<b>\$13,556,820</b>	<b>\$15,690,954</b>	<b>\$16,067,490</b>	<b>\$376,536</b>	<b>2.4%</b>
<b>GENERAL FUND ALLOCATIONS**</b>					
Planning Fund	\$90,580	\$77,711	\$147,438	\$69,727	89.7%
Solid Waste Revenue Fund	159,736	134,797	379,865	245,068	181.8%
Zoo Operating Fund	69,357	69,812	164,113	94,301	135.1%
General Fund	39,477	53,696	106,996	53,300	99.3%
MERC Operating Fund	89,507	87,251	105,936	18,685	21.4%
Regional Parks Fund	38,788	30,912	112,532	81,620	264.0%
Nature in Neighborhoods	0	1,672	8,536	6,864	410.5%
Natural Areas Bond	6,341	24,176	26,282	2,106	8.7%
<b>Total</b>	<b>\$493,786</b>	<b>\$480,027</b>	<b>\$1,051,697</b>	<b>\$571,670</b>	<b>119.1%</b>
<b>SUPPORT SERVICES FUND ALLOCATIONS</b>					
Planning Fund	\$2,063,497	\$2,173,271	\$2,029,975	(\$143,296)	-6.6%
Solid Waste Revenue Fund	2,759,800	3,164,303	3,401,974	237,671	7.5%
Zoo Operating Fund	1,847,033	2,212,477	2,297,305	84,828	3.8%
General Fund	754,396	787,616	667,997	(119,619)	-15.2%
MERC Operating Fund*	1,431,805	1,859,551	1,921,718	62,167	3.3%
Regional Parks Fund	866,037	852,728	1,015,256	162,528	19.1%
Nature in Neighborhoods	0	154,192	136,567	(17,625)	-11.4%
Natural Areas Bond	489,027	961,380	799,330	(162,050)	-16.9%
<b>Total</b>	<b>\$10,211,595</b>	<b>\$12,165,518</b>	<b>\$12,270,122</b>	<b>\$104,604</b>	<b>0.9%</b>
<b>BUILDING MANAGEMENT FUND ALLOCATIONS</b>					
Planning Fund	\$538,541	\$648,243	\$652,495	\$4,252	0.7%
Solid Waste Revenue Fund	314,652	382,010	384,516	2,506	0.7%
Zoo Operating Fund	0	0	0	0	n/a
General Fund	383,026	419,686	422,439	2,753	0.7%
MERC Operating Fund	0	0	0	0	n/a
Regional Parks Fund	121,742	88,826	89,409	583	0.7%
Nature in Neighborhoods	0	32,913	33,129	216	0.7%
Natural Areas Bond	125,709	42,755	43,036	281	0.7%
<b>Total</b>	<b>\$1,483,670</b>	<b>\$1,614,433</b>	<b>\$1,625,023</b>	<b>\$10,590</b>	<b>0.7%</b>
<b>RISK MANAGEMENT FUND ALLOCATIONS</b>					
Planning Fund	\$53,140	\$50,820	\$31,848	(\$18,972)	-37.3%
Solid Waste Revenue Fund	162,878	197,795	192,176	(5,619)	-2.8%
Zoo Operating Fund	445,439	446,392	283,586	(162,806)	-36.5%
General Fund	24,972	19,765	11,479	(8,286)	-41.9%
MERC Operating Fund	545,306	582,761	488,572	(94,189)	-16.2%
Regional Parks Fund	127,187	127,677	110,529	(17,148)	-13.4%
Nature in Neighborhoods	0	1,668	351	(1,317)	-79.0%
Natural Areas Bond	8,847	4,098	2,108	(1,990)	-48.6%
<b>Total</b>	<b>\$1,367,769</b>	<b>\$1,430,976</b>	<b>\$1,120,648</b>	<b>(\$310,328)</b>	<b>-21.7%</b>

includes only indirect costs

\* Support Service Transfers in 2008-09 include \$104,000 in Contingency for HQ Hotel, expected to be fully spent.

\*\* Increase in General Fund includes post-SMI transfer of 2.0 FTE into COO's office and 2.0 FTE into Archives/Records Management. The 2.0 FTE in the COO's office were non-allocated in prior years.

**Metropolitan Exposition Recreation Commission**  
**Performance Measures 2009-10 Budget**

Performance Measure	Actual 2003-04	Actual 2004-05	Actual 2005-06	Actual 2006-07	Actual 2007-08	Target 2008-09	Target 2009-10
<b>Oregon Convention Center</b>							
1. Number of Events/Conventions/Trade Shows	91	148	123	150	152	150	160
a. Consumer/public shows		55	44	58	57	55	55
b. Convention/trade/miscellaneous		93	79	92	95	95	105
2. Estimated economic impact in metropolitan region	\$482 m	\$421 m	\$552 m	\$374 m	\$442 m	\$475 m	\$485 m
3. Attendance	668,911	700,360	633,575	608,673	614,900	625,000	625,000
4. Occupancy	37%	48%	44%	46%	47%	47%	48%
5. Operating Revenues to Operating Expenditures Ratio				81%	82%	73%	72%
6. Food and Beverage Margin	23.0%	29.0%	20.4%	24.0%	21.0%	21.8%	21.1%

<b>Portland Exposition Center</b>							
1. Number of Events	92	100	102	99	107	102	100
a. Consumer/public shows	54	54	53	58	60	57	55
b. Convention/trade/miscellaneous	38	46	49	41	47	45	45
2. Estimated economic impact in metropolitan region					\$37 m		
3. Attendance at Events	501,670	469,943	470,984	477,082	510,100	495,000	470,000
a. Consumer/public shows	460,429	436,166	436,186	410,059	418,939	449,000	435,000
b. Convention/trade/miscellaneous	41,241	33,777	34,798	67,023	91,902	46,000	35,000
4. Operating Revenues to Operating Expenditures Ratio				145%	147%	136%	133%
5. Food and Beverage Margin	18.0%	36.0%	30.2%	27.5%	25.8%	29.6%	26.4%

<b>Portland Center for the Performing Arts</b>							
1. Number of Performances	978	937	980	1,113	827	975	865
2. Estimated economic impact in metropolitan region					\$56 m		
3. Attendance	910,619	797,752	953,863	862,897	817,637	1,000,000	850,000
4. Total Weeks of Broadway	10.0	7.0	8.0	9.0	9.0	14.0	9.0
5. Total Commercial Shows	99	84	200	348	200	125	200
6. Operating Revenues to Operating Expenditures Ratio				97%	91%	90%	88%
7. Food and Beverage Margin	11.0%	-1.0%	14.3%	14.1%	10.3%	14.1%	12.3%

**Metropolitan Exposition-Recreation Commission**  
**MERC Proposed Budget**  
**All Departments**

	<b>Three Year Trend</b>			<b>Proposed \$ Change</b>	<b>Proposed % Change</b>
	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>		
	<b>Proposed Budget June-10</b>	<b>Adopted Budget June-09</b>	<b>Prior Actual June-08</b>		
<b>Operating</b>					
Revenue	18,229,961	18,004,390	17,780,211	225,571	1%
Revenue - Food and Beverage	12,123,799	12,579,134	12,662,562	(455,335)	-4%
<b>Total Operating Revenue</b>	<b>30,353,760</b>	<b>30,583,524</b>	<b>30,442,773</b>	<b>(229,764)</b>	<b>-1%</b>
Costs - Food and Beverage	(9,579,028)	(9,789,499)	(10,072,088)	210,471	-2%
Personal Services	(18,638,891)	(18,285,681)	(15,808,463)	(353,210)	2%
Goods & Services	(8,095,583)	(7,869,173)	(7,589,048)	(226,410)	3%
Marketing (including Enhanced VDI)	(3,032,043)	(3,032,043)	(2,621,997)	-	0%
<b>Total Operating Expenses</b>	<b>(39,345,545)</b>	<b>(38,976,396)</b>	<b>(36,091,597)</b>	<b>(369,149)</b>	<b>1%</b>
<b>Net Operating Results</b>	<b>(8,991,785)</b>	<b>(8,392,872)</b>	<b>(5,648,824)</b>	<b>(598,913)</b>	<b>7%</b>
<b>Non Operating</b>					
Transient, Lodging Tax	11,002,301	11,114,685	11,112,056	(112,384)	-1%
TLT	9,336,624	9,049,008	9,752,587	287,616	3%
VDI	1,252,996	1,652,996	963,066	(400,000)	-24%
Enhanced VDI	412,681	412,681	396,403	-	0%
Government Support City of Portland	760,926	737,449	711,375	23,477	3%
Non-Operating Revenue	647,430	739,194	886,242	(91,764)	-12%
Non-Operating Expense	(2,500)	(2,500)	(2,503)	-	0%
	<b>12,408,157</b>	<b>12,588,828</b>	<b>12,707,169</b>	<b>(180,671)</b>	<b>-1%</b>
<b>Support and Risk Management</b>					
MERC Administration	-	-	-	-	-
Metro Support Services	(2,027,654)	(1,842,802)	(1,521,312)	(184,852)	10%
Metro Risk Management	(488,571)	(582,761)	(547,706)	94,190	-16%
	<b>(2,516,225)</b>	<b>(2,425,563)</b>	<b>(2,069,018)</b>	<b>(90,662)</b>	<b>4%</b>
<b>Net Increase (Decrease)</b>	<b>900,147</b>	<b>1,770,393</b>	<b>4,989,327</b>	<b>(870,246)</b>	<b>-49%</b>
<b>Transfers</b>					
Transfers from	-	11,937	669,720	(11,937)	-100%
Debt Service	(1,205,890)	(1,210,037)	(1,208,281)	4,147	0%
<b>Net Transfers</b>	<b>(1,205,890)</b>	<b>(1,198,100)</b>	<b>(538,561)</b>	<b>(7,790)</b>	<b>1%</b>
<b>Net Operations</b>	<b>(305,743)</b>	<b>572,293</b>	<b>4,450,767</b>	<b>(878,036)</b>	<b>-153%</b>
<b>Capital</b>					
Capital Outlay	(3,571,678)	(2,228,869)	(954,075)	(1,342,809)	60%
Goods & Services	-	(225,000)	-	225,000	-100%
Non-Operating Revenue	2,009,188	767,672	222,863	1,241,516	162%
Transfers from	692,490	746,144	-	(53,654)	-7%
<b>Net Capital</b>	<b>(870,000)</b>	<b>(940,053)</b>	<b>(731,212)</b>	<b>70,053</b>	<b>-7%</b>
<b>Fund Balance Inc (Dec)</b>	<b>(1,175,743)</b>	<b>(367,760)</b>	<b>3,719,555</b>	<b>(807,983)</b>	<b>220%</b>
<b>Food and Beverage Gross Margin</b>	<b>21.0%</b>	<b>22.2%</b>	<b>20.5%</b>		<b>-1.2%</b>
<b>Full Time Employees - per Budget</b>	<b>195</b>	<b>192</b>	<b>182</b>		
<b>Excise Tax</b>	<b>-</b>	<b>-</b>	<b>(1,716,189)</b>		
<b>Fund Balance</b>					
Beginning Fund Balance	25,702,261	26,070,021	22,350,466		
Fund Balance Inc (Dec)	(1,175,743)	(367,760)	3,719,555		
<b>Ending Fund Balance</b>	<b>24,526,518</b>	<b>25,702,261</b>	<b>26,070,021</b>		
Unrestricted Fund Balance	12,480,460	14,177,688	20,907,202		
Contingency	2,009,197	2,064,067	-		
Contingency for Renewal & Replacement	970,000	520,000	295,000		
Designated for Renewal & Replacement	815,000	295,000	-		
Designated for Phase 3	1,339,841	1,154,728	944,840		
Contingency for HQH	3,700,000	3,700,000	-		
Contingency for HQH (PERS Rsvr - Prior)	1,486,398	1,704,212	94,306		
Designated for PERS Reserve - Current	375,932	-	-		
Designated for PERS Reserve - Prior	709,380	812,505	2,460,862		
Restricted by Contract - Aramark	-	93,750	187,500		
Restricted by Agreement - TLT	640,310	1,180,311	1,180,311		
<b>Ending Fund Balance</b>	<b>24,526,518</b>	<b>25,702,261</b>	<b>26,070,021</b>		
<b>Strategic Goal</b>	<b>15,107,354</b>	<b>15,007,602</b>	<b>13,939,240</b>		
Available for Strategy Goal	15,459,657	16,761,755	21,202,202		
<b>Excess (Gap)</b>	<b>352,303</b>	<b>1,754,153</b>	<b>7,262,962</b>		

**Metropolitan Exposition-Recreation Commission**  
**MERC Proposed Budget**  
**Portland Exposition Center**

**Three Year Trend**

	2009-10 Proposed Budget June-10	2008-09 Adopted Budget June-09	2007-08 Prior Actual June-08	Proposed \$ Change	Proposed % Change
<b>Operating</b>					
Revenue	3,705,306	3,819,977	3,985,117	(114,671)	-3%
Revenue - Food and Beverage	2,133,289	2,151,319	2,093,352	(18,030)	-1%
<b>Total Operating Revenue</b>	<b>5,838,595</b>	<b>5,971,296</b>	<b>6,078,469</b>	<b>(132,701)</b>	<b>-2%</b>
Costs - Food and Beverage	(1,570,435)	(1,515,262)	(1,552,665)	(55,173)	4%
Personal Services	(1,551,094)	(1,591,637)	(1,436,762)	40,543	-3%
Goods & Services	(1,280,421)	(1,293,518)	(1,144,938)	13,097	-1%
<b>Total Operating Expenses</b>	<b>(4,401,950)</b>	<b>(4,400,417)</b>	<b>(4,134,365)</b>	<b>(1,533)</b>	<b>0%</b>
<b>Net Operating Results</b>	<b>1,436,645</b>	<b>1,570,879</b>	<b>1,944,104</b>	<b>(134,234)</b>	<b>-9%</b>
<b>Non Operating</b>					
Non-Operating Revenue	148,734	161,619	167,958	(12,885)	-8%
Non-Operating Expense	-	-	-	-	-
	<b>148,734</b>	<b>161,619</b>	<b>167,958</b>	<b>(12,885)</b>	<b>-8%</b>
<b>Support and Risk Management</b>					
MERC Administration	(305,578)	(291,027)	(250,578)	(14,551)	5%
Metro Support Services	(202,766)	(184,280)	(152,131)	(18,486)	10%
Metro Risk Management	(70,743)	(79,379)	(68,624)	8,636	-11%
	<b>(579,087)</b>	<b>(554,686)</b>	<b>(471,333)</b>	<b>(24,401)</b>	<b>4%</b>
<b>Net Increase (Decrease)</b>	<b>1,006,292</b>	<b>1,177,812</b>	<b>1,640,729</b>	<b>(171,520)</b>	<b>-15%</b>
<b>Transfers</b>					
Transfers from	-	1,194	-	(1,194)	-100%
Debt Service	(1,188,632)	(1,192,232)	(1,189,932)	3,600	0%
<b>Net Transfers</b>	<b>(1,188,632)</b>	<b>(1,191,038)</b>	<b>(1,189,932)</b>	<b>2,406</b>	<b>0%</b>
<b>Net Operations</b>	<b>(182,340)</b>	<b>(13,226)</b>	<b>450,797</b>	<b>(169,114)</b>	<b>1279%</b>
<b>Capital</b>					
Capital Outlay	(367,500)	(180,000)	(9,049)	(187,500)	104%
Construction Management	-	-	-	-	-
Non-Operating Revenue	187,500	73,329	46,056	114,171	156%
<b>Net Capital</b>	<b>(180,000)</b>	<b>(106,671)</b>	<b>37,007</b>	<b>(73,329)</b>	<b>69%</b>
<b>Fund Balance Inc (Dec)</b>	<b>(362,340)</b>	<b>(119,897)</b>	<b>487,803</b>	<b>(242,443)</b>	<b>202%</b>
<b>Food and Beverage Gross Margin</b>	<b>26.4%</b>	<b>29.6%</b>	<b>25.8%</b>		<b>-3%</b>
<b>Full Time Employees - per Budget</b>	<b>13.30</b>	<b>13.30</b>	<b>13.30</b>		
<b>Excise Tax</b>	<b>-</b>	<b>-</b>	<b>(451,128)</b>		
<b>Fund Balance</b>					
Beginning Fund Balance	5,949,353	6,069,250	5,581,447		
Fund Balance Inc (Dec)	(362,340)	(119,897)	487,803		
<b>Ending Fund Balance</b>	<b>5,587,013</b>	<b>5,949,353</b>	<b>6,069,250</b>		
Unrestricted Fund Balance	3,732,240	4,047,108	4,867,128		
Contingency	218,622	472,017	-		
Contingency for Renewal & Replacement	20,000	20,000	20,000		
Designated for Renewal & Replacement	40,000	20,000	-		
Designated for Phase 3	1,339,841	1,154,728	944,840		
Contingency for HQH (PERS Rsvr - Prior)	205,841	235,500	-		
Designated for PERS Reserve - Current	30,469	-	-		
Designated for PERS Reserve - Prior	-	-	237,282		
<b>Ending Fund Balance</b>	<b>5,587,013</b>	<b>5,949,353</b>	<b>6,069,250</b>		
<b>Strategic Goal (6 mo, debt)</b>	<b>3,389,607</b>	<b>3,392,441</b>	<b>3,257,115</b>		
Available for Strategy Goal	3,970,862	4,539,125	4,887,128		
<b>Excess (Gap)</b>	<b>581,255</b>	<b>1,146,685</b>	<b>1,630,013</b>		

**Metropolitan Exposition-Recreation Commission  
MERC Proposed Budget  
Oregon Convention Center**

Excluding HQH

**Three Year Trend**

	2009-10	2008-09	2007-08	Proposed \$ Change	Proposed % Change
	Proposed	Adopted	Prior		
	Budget	Budget	Actual		
	June-10	June-09	June-08		
<b>Operating</b>					
Revenue	8,006,117	7,369,246	7,869,606	636,871	9%
Revenue - Food and Beverage	8,550,083	8,900,001	8,992,501	(349,918)	-4%
<b>Total Operating Revenue</b>	<b>16,556,200</b>	<b>16,269,247</b>	<b>16,862,107</b>	<b>286,953</b>	<b>2%</b>
Costs - Food and Beverage	(6,744,807)	(6,961,152)	(7,105,565)	216,345	-3%
Personal Services	(9,228,464)	(8,741,296)	(7,764,622)	(487,168)	6%
Goods & Services	(4,010,888)	(3,504,823)	(3,114,513)	(506,065)	14%
Marketing (including Enhanced VDI)	(3,032,043)	(3,032,043)	(2,621,997)	-	0%
<b>Total Operating Expenses</b>	<b>(23,016,202)</b>	<b>(22,239,314)</b>	<b>(20,606,697)</b>	<b>(776,888)</b>	<b>3%</b>
<b>Net Operating Results</b>	<b>(6,460,002)</b>	<b>(5,970,067)</b>	<b>(3,744,590)</b>	<b>(489,935)</b>	<b>8%</b>
<b>Non Operating</b>					
Transient, Lodging Tax	8,975,971	9,032,707	9,115,656	(56,736)	-1%
TLT	7,903,290	7,560,026	8,319,253	343,264	5%
VDI	660,000	1,060,000	400,000	(400,000)	-38%
Enhanced VDI	412,681	412,681	396,403	-	0%
Non-Operating Revenue	248,836	267,288	334,799	(18,452)	-7%
Non-Operating Expense	-	-	(3)	-	-
	<b>9,224,807</b>	<b>9,299,995</b>	<b>9,450,452</b>	<b>(75,188)</b>	<b>-1%</b>
<b>Support and Risk Management</b>					
MERC Administration	(1,650,125)	(1,571,548)	(1,378,181)	(78,577)	5%
Metro Support Services	(1,094,933)	(995,114)	(836,721)	(99,819)	10%
Metro Risk Management	(275,033)	(325,341)	(309,680)	50,308	-15%
	<b>(3,020,091)</b>	<b>(2,892,003)</b>	<b>(2,524,582)</b>	<b>(128,088)</b>	<b>4%</b>
<b>Net Increase (Decrease)</b>	<b>(255,286)</b>	<b>437,925</b>	<b>3,181,280</b>	<b>(693,211)</b>	<b>-158%</b>
<b>Transfers</b>					
Transfers from	-	6,446	-	(6,446)	-100%
Debt Service	(17,258)	(17,805)	(18,349)	547	-3%
<b>Net Transfers</b>	<b>(17,258)</b>	<b>(11,359)</b>	<b>(18,349)</b>	<b>(5,899)</b>	<b>52%</b>
<b>Net Operations</b>	<b>(272,544)</b>	<b>426,566</b>	<b>3,162,931</b>	<b>(699,110)</b>	<b>-164%</b>
<b>Capital</b>					
Capital Outlay	(2,119,990)	(1,468,157)	(585,976)	(651,833)	44%
Non-Operating Revenue	887,500	50,863	72,157	836,637	1645%
Transfers from	692,490	746,144	-	(53,654)	-7%
<b>Net Capital</b>	<b>(540,000)</b>	<b>(671,150)</b>	<b>(513,818)</b>	<b>131,150</b>	<b>-20%</b>
<b>Fund Balance Inc (Dec)</b>	<b>(812,544)</b>	<b>(244,584)</b>	<b>2,649,112</b>	<b>(567,960)</b>	<b>232%</b>
<b>Food and Beverage Gross Margin</b>	<b>21.1%</b>	<b>21.8%</b>	<b>21.0%</b>		<b>-0.7%</b>
<b>Full Time Employees - per Budget</b>	<b>112.30</b>	<b>110.30</b>	<b>107.30</b>		
<b>National/Regional Conventions</b>	<b>41</b>	<b>34</b>	<b>36</b>		
<b>Excise Tax</b>	<b>-</b>	<b>-</b>	<b>(1,263,519)</b>		
<b>Fund Balance</b>					
Beginning Fund Balance	10,833,435	11,304,019	8,985,591		
Fund Balance Inc (Dec)	(812,544)	(244,584)	2,649,112		
Fund Balance Inc (Dec) for HQH	-	(226,000)	(330,685)		
<b>Ending Fund Balance</b>	<b>10,020,891</b>	<b>10,833,435</b>	<b>11,304,019</b>		
Unrestricted Fund Balance	2,428,656	3,112,557	8,391,088		
Contingency	1,206,167	979,337			
Contingency for Renewal & Replacement	250,000	250,000	225,000		
Designated for Renewal & Replacement	475,000	225,000			
Contingency for HQH	3,700,000	3,700,000			
Contingency for HQH (PERS Rsvr - Prior)	1,131,796	1,292,480			
Designated for PERS Reserve - Current	188,962				
Designated for PERS Reserve - Prior			1,320,120		
Restricted by Contract - Aramark		93,750	187,500		
Restricted by Agreement - TLT	640,310	1,180,311	1,180,311		
<b>Ending Fund Balance</b>	<b>10,020,891</b>	<b>10,833,435</b>	<b>11,304,019</b>		
<b>Strategic Goal (3 mo)</b>	<b>5,754,051</b>	<b>5,559,829</b>	<b>5,151,674</b>		
Available for Strategy Goal	3,884,823	4,341,894	8,616,088		
<b>Excess (Gap)</b>	<b>(1,869,228)</b>	<b>(1,217,935)</b>	<b>3,464,414</b>		

**Metropolitan Exposition-Recreation Commission**  
**MERC Proposed Budget**  
**Portland Center for the Performing Arts**

	Three Year Trend			Proposed \$ Change	Proposed % Change
	2009-10	2008-09	2007-08		
	Proposed Budget June-10	Adopted Budget June-09	Prior Actual June-08		
<b>Operating</b>					
Revenue	6,480,038	6,776,667	5,885,022	(296,629)	-4%
Revenue - Food and Beverage	1,440,427	1,527,814	1,576,709	(87,387)	-6%
<b>Total Operating Revenue</b>	<b>7,920,465</b>	<b>8,304,481</b>	<b>7,461,731</b>	<b>(384,016)</b>	<b>-5%</b>
Costs - Food and Beverage	(1,263,786)	(1,313,085)	(1,413,858)	49,299	-4%
Personal Services	(5,537,241)	(5,751,698)	(4,857,935)	214,457	-4%
Goods & Services	(2,152,079)	(2,171,744)	(1,914,971)	19,665	-1%
<b>Total Operating Expenses</b>	<b>(8,953,106)</b>	<b>(9,236,527)</b>	<b>(8,186,764)</b>	<b>283,421</b>	<b>-3%</b>
<b>Net Operating Results</b>	<b>(1,032,641)</b>	<b>(932,046)</b>	<b>(725,033)</b>	<b>(100,595)</b>	<b>11%</b>
<b>Non Operating</b>					
Transient, Lodging Tax	2,026,330	2,081,978	1,996,400	(55,648)	-3%
TLT	1,433,334	1,488,982	1,433,334	(55,648)	-4%
VDI	592,996	592,996	563,066	-	0%
Government Support City of Portland	760,926	737,449	711,375	23,477	3%
Non-Operating Revenue	219,860	286,092	345,436	(66,232)	-23%
Non-Operating Expense	(2,500)	(2,500)	(2,500)	-	0%
	<b>3,004,616</b>	<b>3,103,019</b>	<b>3,050,710</b>	<b>(98,403)</b>	<b>-3%</b>
<b>Support and Risk Management</b>					
MERC Administration	(1,100,084)	(1,047,699)	(877,025)	(52,385)	5%
Metro Support Services	(729,955)	(663,408)	(532,460)	(66,547)	10%
Metro Risk Management	(142,795)	(178,041)	(169,402)	35,246	-20%
	<b>(1,972,834)</b>	<b>(1,889,148)</b>	<b>(1,578,887)</b>	<b>(83,686)</b>	<b>4%</b>
<b>Net Increase (Decrease)</b>	<b>(859)</b>	<b>281,825</b>	<b>746,790</b>	<b>(282,684)</b>	<b>-100%</b>
<b>Transfers</b>					
Transfers from	-	4,297	-	(4,297)	-100%
<b>Net Transfers</b>	<b>-</b>	<b>4,297</b>	<b>-</b>	<b>(4,297)</b>	<b>-100%</b>
<b>Net Operations</b>	<b>(859)</b>	<b>286,122</b>	<b>746,790</b>	<b>(286,981)</b>	<b>-100%</b>
<b>Capital</b>					
Capital Outlay	(934,188)	(435,000)	(162,662)	(499,188)	115%
Goods & Services	-	(225,000)	-	225,000	-100%
Non-Operating Revenue	934,188	643,480	102,789	290,708	45%
<b>Net Capital</b>	<b>-</b>	<b>(16,520)</b>	<b>(59,874)</b>	<b>16,520</b>	<b>-100%</b>
<b>Fund Balance Inc (Dec)</b>	<b>(859)</b>	<b>269,602</b>	<b>686,917</b>	<b>(270,461)</b>	<b>-100%</b>
<b>Food and Beverage Gross Margin</b>	<b>12.3%</b>	<b>14.1%</b>	<b>10.3%</b>		<b>-1.8%</b>
<b>Full Time Employees - per Budget</b>	<b>47.40</b>	<b>46.40</b>	<b>43.40</b>		
<b>Weeks of Broadway</b>	<b>9</b>	<b>14.5</b>	<b>9</b>		
<b>Fund Balance</b>					
Beginning Fund Balance	8,055,601	7,785,999	7,099,082		
Fund Balance Inc (Dec)	(859)	269,602	686,917		
<b>Ending Fund Balance</b>	<b>8,054,742</b>	<b>8,055,601</b>	<b>7,785,999</b>		
Unrestricted Fund Balance	5,789,158	6,476,647	6,926,846		
Contingency	451,078	466,449			
Contingency for Renewal & Replacement	700,000	250,000	50,000		
Designated for Renewal & Replacement	300,000	50,000			
Designated for PERS Reserve - Current	105,126				
Designated for PERS Reserve - Prior	709,380	812,505	809,153		
<b>Ending Fund Balance</b>	<b>8,054,742</b>	<b>8,055,601</b>	<b>7,785,999</b>		
<b>Strategic Goal (6 mo)</b>	<b>4,476,553</b>	<b>4,618,264</b>	<b>4,093,382</b>		
Available for Strategy Goal	6,940,236	7,193,096	6,976,846		
<b>Excess (Gap)</b>	<b>2,463,683</b>	<b>2,574,833</b>	<b>2,883,464</b>		

**Metropolitan Exposition-Recreation Commission  
MERC Proposed Budget  
Convention Center Headquarter Hotel Project**

	Three Year Trend			Proposed \$ Change	Proposed % Change
	2009-10	2008-09	2007-08		
	Proposed Budget	Adopted Budget	Prior Actual		
	June-10	June-09	June-08		
<b>Operating</b>					
Personal Services	-	(20,000)	(28,748)	20,000	-100%
Goods & Services	-	(206,000)	(971,657)	206,000	-100%
<i>Meetings Expense</i>	-	-	(541)	-	-
<i>Developer Agreement I</i>	-	-	(600,028)	-	-
<i>Developer Agreement II</i>	-	-	-	-	-
<i>Communications Consulting</i>	-	-	(56,424)	-	-
<i>Construction Consulting</i>	-	-	-	-	-
<i>Financial Consulting</i>	-	-	(133,441)	-	-
<i>Legal Consulting</i>	-	(184,000)	(52,194)	184,000	-100%
<i>Management Consulting</i>	-	(22,000)	(8,836)	22,000	-100%
<i>Market Consulting</i>	-	-	(78,194)	-	-
<i>Project Management</i>	-	-	(41,999)	-	-
	-	-	-	-	-
<b>Net Operations</b>	-	<b>(226,000)</b>	<b>(330,685)</b>	<b>226,000</b>	<b>-100%</b>



## Metropolitan Exposition-Recreation Commission

**MERC Proposed Budget  
MERC Administration**
**Three Year Trend**

	2009-10 Proposed Budget June-10	2008-09 Adopted Budget June-09	2007-08 Prior Actual June-08	Proposed \$ Change	Proposed % Change
<b>Operating</b>					
Revenue	38,500	38,500	40,466	-	0%
Personal Services	(2,322,092)	(2,181,050)	(1,720,397)	(141,042)	6%
Goods & Services	(652,195)	(693,088)	(442,969)	40,893	-6%
<b>Net Operating Expenses</b>	<b>(2,935,787)</b>	<b>(2,835,638)</b>	<b>(2,122,900)</b>	<b>(100,149)</b>	<b>4%</b>
<b>Non Operating</b>					
Non-Operating Revenue	30,000	24,195	38,049	5,805	24%
Non-Operating Expense	-	-	-	-	-
	<b>30,000</b>	<b>24,195</b>	<b>38,049</b>	<b>5,805</b>	<b>24%</b>
<b>Support and Risk Management</b>					
MERC Administration	3,055,787	2,910,274	2,505,784	145,513	5%
	<b>3,055,787</b>	<b>2,910,274</b>	<b>2,505,784</b>	<b>145,513</b>	<b>5%</b>
<b>Net Increase (Decrease)</b>	<b>150,000</b>	<b>98,831</b>	<b>420,934</b>	<b>51,169</b>	<b>52%</b>
<b>Net Transfers</b>	-	-	-	-	-
<b>Net Operations</b>	<b>150,000</b>	<b>98,831</b>	<b>420,934</b>	<b>51,169</b>	<b>52%</b>
<b>Capital</b>					
Capital Outlay	(150,000)	(145,712)	(196,388)	(4,288)	3%
Non-Operating Revenue	-	-	1,861	-	-
<b>Net Capital</b>	<b>(150,000)</b>	<b>(145,712)</b>	<b>(194,527)</b>	<b>(4,288)</b>	<b>3%</b>
<b>Fund Balance Inc (Dec)</b>	<b>-</b>	<b>(46,881)</b>	<b>226,407</b>	<b>46,881</b>	<b>-100%</b>
<b>Full Time Employees - per Budget</b>	<b>22.00</b>	<b>22.00</b>	<b>18.00</b>		
<b>Excise Tax</b>	<b>0.0%</b>	<b>0.0%</b>	<b>(1,542)</b>		
<b>Fund Balance</b>					
Beginning Fund Balance	863,872	910,753	684,346		
Fund Balance Inc (Dec)	-	(46,881)	226,407		
<b>Ending Fund Balance</b>	<b>863,872</b>	<b>863,872</b>	<b>910,753</b>		
Unrestricted Fund Balance	530,406	541,376	722,140		
Contingency	133,330	146,264			
Contingency for HQH (PERS Rsvr - Prior)	148,761	176,232	94,306		
Designated for PERS Reserve - Current	51,375				
Designated for PERS Reserve - Prior			94,307		
<b>Ending Fund Balance</b>	<b>863,872</b>	<b>863,872</b>	<b>910,753</b>		
<b>Strategic Goal (6 mo)</b>	<b>1,487,144</b>	<b>1,437,069</b>	<b>1,081,683</b>		
Available for Strategy Goal	663,736	687,640	722,140		
<b>Excess (Gap)</b>	<b>(823,408)</b>	<b>(749,429)</b>	<b>(359,543)</b>		

Metropolitan Exposition Recreation Commission  
**Five Year Capital Plan**  
**2009-10 through 2013-14 Fiscal Years**  
February 23, 2009

	<u>Funding Source</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
<b>Oregon Convention Center (OCC)</b>						
<b>OCC 2009-10 FY</b>						
Moveable Air Wall Repair and Retrofit	MTOCA proposal	340,000				
Exhibit Hall Wi-Fi and Show Network Upgrade	TLT Capital Reserve	85,000				
* Upgrade Kitchen Capacity & Storage for Efficiency	F & B Contract Capital Investment & TLT Capital Reserve	1,000,000				
VAV Controllers and CO2 Sensors Upgrade on AHUs (LEED)	TLT Capital Reserve	100,000				
Lighting Fixture Replacement and Upgrade	MTOCA proposal	200,000				
Add Automatic Hand Dryers to all Restrooms	MTOCA proposal	150,000				
MTOCA Project - to be determined Contingency	MTOCA proposal	2,490				
Retro - Commissioning (RCX) (every year for LEED)	TLT Capital Reserve	65,000				
Elevators 1 & 3 Cab Retrofit	TLT Capital Reserve	37,500				
Gates for Exhibit Hall Rest Rooms	TLT Capital Reserve	25,000				
Garage Door at Dry Waste Compactor	TLT Capital Reserve	15,000				
Replace Riding Vacuum	TLT Capital Reserve	12,000				
Digital Signage Upgrade	TLT Capital Reserve	50,000				
3-Wheeled Security Vehicle (T3)	TLT Capital Reserve	14,000				
Renovate Pre-A & Pre-C Phone Bank	TLT Capital Reserve	24,000				
** Kinko's Remodel (5% Reserve Acct.)	Food & Beverage Reserve	150,000				
* Kitchen Remodel funded from F & B Capital \$887,500 & TLT Fund \$112,500						
** The line for capital on the Budget Statement is understated by the \$150,000 for the Kinko's remodel, which is budgeted in the Food & Beverage Costs						
<b>OCC 2010-11 FY</b>						
Construct Operations Office and Add Additional Conference Meeting Space	Unfunded		1,350,000			
Chiller VFD	Unfunded		100,000			
Plaza Issues	Unfunded		90,000			
Rehab/Renovate Skyview Terrace & VIP B Suite	Unfunded		250,000			
Rework Oregon Ballroom Capabilities-more breakouts	Unfunded		1,500,000			
Phone Bank Retrofit Project	Unfunded		32,000			
Pickup Truck	Unfunded		30,000			
Fork Lifts	Unfunded		60,000			
Public Circulation Furniture (Lobby Areas)	Unfunded		250,000			
Riding Sweeper/Scrubber	Unfunded		35,000			
Retro - Commissioning (RCX) (every year for LEED)	Unfunded		65,000			
Original Building Air wall Retrofit Project*	Unfunded		220,000			
VAV Controllers and CO2 sensors on AHUs (LEED)	Unfunded		105,000			
Lighting Fixture Upgrades	Unfunded		100,000			
Digital Signage Upgrade	Unfunded		33,000			
Brew Pub Restaurant Project	Unfunded		600,000			

**Five Year Capital Plan  
2009-10 through 2013-14 Fiscal Years**

February 23, 2009

	<i>Funding Source</i>	<i>2009-10</i>	<i>2010-11</i>	<i>2011-12</i>	<i>2012-13</i>	<i>2013-14</i>
<b>OCC 2011-12 FY</b>						
Replace Glass in Exterior Canopies in MLK & Holladay	Unfunded			65,000		
Replace Original Roof	Unfunded			1,800,000		
Riding Sweeper/Scrubber	Unfunded			35,000		
Automated Parking System Replacement	Unfunded			130,000		
Retro - Commissioning (RCX) (every year for LEED)	Unfunded			65,000		
Exterior Security Bollards (or Planters)	Unfunded			60,000		
Rest Room Handicap Door Operators	Unfunded			40,000		
Construction /Headquarter Hotel Connection and Signage	Unfunded			450,000		
Install Electronic Swipe Locking System for Mtg & Ballrooms	Unfunded			300,000		
Replace Tile Floor in All Restrooms in Original Bldg.	Unfunded			300,000		
<b>OCC 2012-13 FY</b>						
Concrete Polishing	Unfunded				375,000	
Retro - Commissioning (RCX) (every year for LEED)	Unfunded				65,000	
Carpet Replacement	Unfunded				1,700,000	
Bleacher Replacement	Unfunded				1,800,000	
<b>OCC 2013-14 FY</b>						
Cover the plaza on MLK and Holladay with Glass	Unfunded					5,000,000
Retro - Commissioning (RCX) (every year for LEED)	Unfunded					65,000

<b>Total Oregon Convention Center</b>		<b>2,269,990</b>	<b>4,820,000</b>	<b>3,245,000</b>	<b>3,940,000</b>	<b>5,065,000</b>
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**Portland Center for the Performing Arts (PCPA)**

**PCPA 2009-10 FY**

ASCH Rigging	Friends of PCPA	52,000
Hatfield Roof	Friends of PCPA	45,000
Hatfield Risers	Friends of PCPA	15,000
Keller Rigging	Friends of PCPA	65,000
Hatfield 18" Tables	Friends of PCPA	10,000
Smart Maintenance Upgrade (BigFoot)	Friends of PCPA	20,000
Keller Follow Spot Lighting	Friends of PCPA	30,000
Hatfield Cultural Video Project	Grants	522,188
Food & Beverage Capital Investment - New Contract	F & B Contract Capital Investment	175,000

**Five Year Capital Plan  
2009-10 through 2013-14 Fiscal Years**

February 23, 2009

	<i>Funding Source</i>	<i>2009-10</i>	<i>2010-11</i>	<i>2011-12</i>	<i>2012-13</i>	<i>2013-14</i>
<b>PCPA 2010-11 FY</b>						
Arlene Schnitzer Concert Hall Boiler**	Friends of PCPA		100,000			
Hatfield Hall Dimmer System	Friends of PCPA		300,000			
Hatfield Hall Roof - Repair and Replacement	Friends of PCPA		45,000			
Keller Auditorium Boilers Replacement	Friends of PCPA		90,000			
Newmark Theater Stage Floor Replacement	Friends of PCPA		100,000			
Hatfield Follow Spots	Friends of PCPA		14,000			
<b>PCPA 2011-12 FY</b>						
Hatfield Hall Trash Compactor	Friends of PCPA			50,000		
Newmark Theater Main Curtain	Friends of PCPA			20,000		
Winningstad Theater Main Curtain	Friends of PCPA			10,000		
Arlene Schnitzer Concert Hall Follow Spots	Friends of PCPA			20,000		
<b>PCPA 2012-13 FY</b>						
Hatfield Hall Chiller	Friends of PCPA				250,000	
Keller Auditorium Clear Com	Friends of PCPA				15,000	
Keller Auditorium Masking	Friends of PCPA				26,000	
Hatfield Hall ADA FM Listening Systems	Friends of PCPA				40,000	
<b>PCPA 2013-14 FY</b>						
Newmark Fore Stage Lift	Friends of PCPA					85,000
Arlene Schnitzer Cooling Tower	Friends of PCPA					110,000
Arlene Schnitzer Chiller	Friends of PCPA					250,000
Arlene Schnitzer Concert Hall Masking	Friends of PCPA					25,000
Hatfield Hall ADA Upgrades	Friends of PCPA					15,000
Keller ADA Upgrades	Friends of PCPA					15,000
<b>Total Portland Center for the Performing Arts</b>		<b>934,188</b>	<b>649,000</b>	<b>100,000</b>	<b>331,000</b>	<b>500,000</b>

**Five Year Capital Plan  
2009-10 through 2013-14 Fiscal Years**

February 23, 2009

	<i>Funding Source</i>	<i>2009-10</i>	<i>2010-11</i>	<i>2011-12</i>	<i>2012-13</i>	<i>2013-14</i>
<b>Portland Expo Center (EXPO)</b>						
<b>EXPO 2009-10 FY</b>						
Parking Lot Asphalt maintenance and/or removal/replacement	EXPO Fund Balance	75,000				
Hall "A" - "B" Relamp	EXPO Fund Balance	15,000				
Hall C Heating System	EXPO Fund Balance	70,000				
Halls D (18 units) & E (15 units) emergency lighting battery backups	EXPO Fund Balance	20,000				
Food & Beverage Capital Investment - New Contract	F & B Contract Capital Investment	187,500				
<b>EXPO 2011-12 thru 2014-15 FY</b>						
Parking Lot Asphalt maintenance and/or removal/replacement	EXPO Fund Balance		50,000	50,000	50,000	50,000
<b>UNFUNDED PROJECTS PORTLAND EXPO CENTER (Cost to be determined)</b>						
Bleacher Upgrade for Safety Requirements (estimate \$100,000)						
Full site electronic way finding (estimate \$300,000)						
Phase III						
SW parking lot & South Access Drive realignment						
Replace/renovate Halls A, B and C						
North walkway canopy and electronic sign						
Covered/enclosed exhibit hall connector						
SE meeting rooms						
<b>Total Portland Expo Center</b>		<b>367,500</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>MERC Administration (MERC)</b>						
<b>MERC 2009-10 FY</b>						
SharePoint ExtraNET Server	MERC Support Costs	60,000				
KRONOS Advance Scheduling System	MERC Support Costs	60,000				
Server Virtualization	MERC Support Costs	30,000				
<b>MERC 2010-11 thru 2014-15 FY</b>						
Information Technology	MERC Support Costs		100,000	100,000	100,000	100,000
<b>Total MERC Administration</b>		<b>150,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b>Total MERC</b>		<b>3,721,678</b>	<b>5,619,000</b>	<b>3,495,000</b>	<b>4,421,000</b>	<b>5,715,000</b>

**MERC Capital Project Detail**  
2009-10 Proposed Budget

<u>Project</u>	<u>Description</u>	<u>Justification</u>	<u>Source</u>	<u>Impact</u>	<u>Risk</u>
<b>Oregon Convention Center</b>					
<b>Moveable Air Wall Repair and Retrofit</b>	The original facility is now approaching 20 years in operation and these Air Walls are in need of major maintenance to extend their life, work properly for event needs, to keep them in working order. Many of the covering are in need of repair or replacement and we utilize these divider walls everyday for events. Many of the wall foot closures do not work properly and sound bleeds through the rooms for different events and they are hard to maneuver being 18-30 feet tall.	This would be a MOTCA fund project request to keep the Facility in first class condition and meets the definition.	This is part of a two year project and can be broken into two pieces to help spread the costs as the estimated costs for this project is \$560,000 and should secure operational status for these walls for 10-12 years with proper annual maintenance as we have performed in the past.	Increased labor to move walls, sound bleeding into events separated by the walls, many of the wall coverings are not repairable and unsightly and cannot be maintained. There is a low level safety issue as well for crew who have to deal with these walls on a daily basis.	Repair all rollers, track mechanisms, bearings, foot closures and wall coverings to make sure all walls operate properly and efficiently as designed. We are targeting the original side of the facility Air Wall systems that include Exhibit Halls A and A1, Oregon Ballroom, A,B,C Meeting Rooms
<b>Replace Exhibit Hall WiFi and Show Network</b>	This would allow for the matching of the new system installed in all of the lobby, meeting rooms and Ballrooms and provides for higher bandwidth capabilities for our customers. We charge a fee for this installation and is a significant revenue source for the OCC. We currently have a contract for sales and marketing of this system to customers through Smart City Networks affiliate CCPI which ends in 2009. This would allow us to manage the whole system ourselves as well if we decide to not renew the agreement. Current revenues are split evenly and the return on investment would be less than two years.	Funding source would be OCC operating funds for this project	We currently jointly manage the telecommunications options with CCPI and split the revenue with them for marketing and sales services. This purchase allows for the entire system to be managed by OCC if we do not extend this agreement or decide to go out and select a different vendor to provide these services in the future. This enhances our capabilities and we are looking at increasing our revenue this year by 30% and we could cover the entire cost if we self operate the system.	There is no real risk here for not doing this project	This would replace the current WiFi antenna with a higher coverage capability/management system and provide for a Show upgrade for exhibit type events utilizing the Exhibit Halls.
<b>Upgrade Kitchen Capacity and Storage</b>	Increased building space and an additional Ballroom have increased our food only event schedule as well as the need to due multiple events with different menu selections by clients. We feel this increase in capacity will allow for better quality product, timely delivery, capability to better serve the customers menu choices and increase the capacity of our dish washing and reduce the labor necessary to provide all of the services listed. this should increase our margins on an annual basis, with payback probably around 7 years.	Funding source would be \$800,000 from the new Food and Beverage Contract capital investment monies required by the new contract as well as \$200,000 being requested from the MERC Capital Fund Account.	Impact will be having the kitchen down over a three-four month period as the event schedule permits, but should all be accomplished in a year once construction commences. Again impact is increase of capacity, flexibility of menu choices and services provided, increase in quality and a savings in labor.	The longer we delay the harder it is to keep up the service levels without spending more money on labor with the potential of reduced quality of the products we do serve with the limited kitchen capacity.	This project would increase the cooking capacity in the kitchen by re-configuring the layout, adding 2 fryers, 1 convection steamer, 1 tilting skillet/braising pan, 2 convection ovens stacked, 1 charbroiler, 1 griddle and 2 heavy duty ranges. All of this equipment would fit under a new venting hood and fire suppression system. This almost doubles our capacity without increasing the footprint of the kitchen. We would purchase 2 new dishwashers as well as a soiled tray handling system for dirty dish cleaning, a new walk-in cooler and refrigeration with this increased cooking capacity, renovated lockers and dressing area for the increased staff and new storage construction for item currently stored in the kitchen. This is a significant project with more than \$500,000 in equipment purchases.

## MERC Capital Project Detail

2009-10 Proposed Budget

Project	Description	Justification	Source	Impact	Risk
<b>VAV Controls and CO2 Sensor Upgrade</b>	The VAV boxes will allow computer control and monitoring of the room air temps and CO2 levels. The CO2 sensors allow outside air based on need. Motion sensors will shut off or reduce fan speeds depending on room activity.	Capital Budget - 2009/2010 - 2010/2011- Cost split over two years.	Monitoring and adjusting room temperatures more accurately while increasing the indoor air quality for clients through the room CO2 sensors. The motion sensors will shutdown fans during periods of inactivity reducing energy.	This is a requirement of the LEED certification. These improvements will reduce energy costs and improve efficiency of cooling and heating in the meeting rooms while increasing the indoor air quality of the rooms for our customers.	Upgrade the pneumatic controls for the A, B, C Meeting Room VAV boxes and add CO2 sensors and motion detectors similar to the expansion side of the facility. Requirement from LEED for energy reduction and improved air quality.
<b>Lighting Fixture Replacement/Upgrade</b>	The project will be projected to save annually 1,740, 257 kWh of electricity per year is a 16.8% reduction of total usage by the Center, resulting in an annual savings of \$82, 336 per year once the project is complete. There is an estimated \$178, 285 Energy Trust of Oregon Incentive credit and potentially BETC Credits of approximately \$163, 852 to lower the cost of this project from \$682,558 to \$300,421 if all credits are realized. This project also significantly helps the LEED-EB operating issues of the center and reduces OCC Carbon Footprint offset by 661 tons of CO2.	This would be a MOTCA Funded project request of \$200,000 for this fiscal year or about 2/3 of the total project.	Impact on the operation is a significant saving of the electric bill of \$82,336 per year which does not include the labor saving of less frequent changing out of the light fixtures due to longer life of the new fixtures. Payback on this project when completed would be just under 4 years.	There is no real risk here other than not capturing annual savings associated with savings on the electric bill	This is a lighting fixture retrofit project to replace fixture, lamp and ballast for the Metal Halides and incandescent in the lobby areas and the Exhibit Halls with energy efficient long life fixtures. This project is being broken up into two parts due to funding constraints, but has a huge payback for the facility.
<b>Add Automatic Hand Dryers to all Restrooms</b>	The results will be a significant savings of purchasing janitorial products, reducing the waste bill and save labor on servicing of the restrooms	This will be a MOTCA funded project request due to the sustainability aspects of the project.	This will reduce paper product/janitorial equipment purchases by 50% or about \$16,000 per year and reduce the tonnage of waste going out of the facility due to wet paper products being thrown away by patrons. This is a long term payback, but adds a great sustainability factor to OCC's everyday operations.	There are no risks to not doing this project	OCC is looking to adding 70-88 electric automatic Dyson Hand Dryers to all restrooms replacing 90% of the paper hand towels currently being used in the restrooms at the facility. the \$150,000 price includes the electrical installation and labor to install of these units.
<b>Retro - Commissioning Project</b>	LEED requirement to re-commission all mechanical systems in a five year period. Increased equipment efficiency and energy cost reduction by fine tuning all mechanical systems.	Capital Budget - \$65,000 per year for the next five years. 2010-2014	Fulfilling LEED requirements and verifying equipment is running as designed and at an optimal level. This should reduce energy costs over time and result in significant energy cost savings.	Possibility of losing LEED certification by not completing the requirement and inefficiency in mechanical equipment operation which could increase energy consumption over time.	Re-commission all HVAC mechanical systems throughout the facility. Test and record operation of every system and compare results to original design specifications to ensure systems are operating properly as designed.
<b>Elevator 1 &amp; 3 Retrofit</b>	This is a maintenance and upgrade project with very little return.	Sources of funds for this project would come from OCC operating monies	Should have little impact on the operation and can be easily scheduled between event needs with a cost of about \$18,750 per elevator	There is no risk or consequence related to not doing this project	This project would resurface the interior of the 2 passenger elevators on the original side of the facility so we can update the look and match the newer passenger elevators on the expanded side of the facility. The interior finishes have substantial wear and tear and have the old bland finishes. We would like to replace with wood and stainless similar to the new passenger elevators to update the look.

**MERC Capital Project Detail**  
2009-10 Proposed Budget

<u>Project</u>	<u>Description</u>	<u>Justification</u>	<u>Source</u>	<u>Impact</u>	<u>Risk</u>
<b>Erect Lockable Gates at all Exhibit Hall Restrooms</b>	This project would give our staff the flexibility to clean restrooms and lock them down between shows so that no one can use them before shows and we have to clean them again prior to show opening. Currently we have to reclean these restrooms because folks have used them/ during move-in or between events and they become dirty and need cleaning again. This would save us a lot of labor.	Source of funds if the OCC Operating Account	There is a labor savings and helps keep the client happy with clean restrooms for their event. The price includes 10 gates, hardware and the labor to install them, about \$2500 per gate	There is no risk or consequence for not doing this project	Erect lockable gates at all 10 of the Exhibit Hall Restrooms so Bathrooms can be locked off after cleaning. There are no doors on these restrooms and they cannot be blocked off for any reason. all of the other restrooms in the building have lockable doors.
<b>Replacement of Overhead Door for Dry Waste Compactor</b>	This is a maintenance/operations issue	OCC Operating Fund	This replacement is necessary to effectively secure the building around this compactor unit and really is a maintenance replacement need for a worn out piece of equipment.	The risk is minimal for this project if it is delayed	OCC is in need of replacing the Overhead Door for the Dry Waste compactor on the main loading dock
<b>Replace Riding Vacuum</b>	We are replacing some of the original riding vacuum equipment that no longer can be repaired adequately to stay operational functional. This is an equipment replacement item	OCC Operating fund	Helps the cleaning crew be more efficient and effective to clean large areas of the facility with minimum amount of labor. We also utilize this equipment to clean/sweep aisle carpet that we generate around \$100,000 annually	Risk is not great if this project is delayed, but a little more serious if not purchased in terms of doing the job needed in the time frames we have to clean the facility of sweep the show.	This is to replace one of the riding vacuum cleaners we use to sweep the building carpeted areas as well as generate revenue for booth and aisle cleaning for shows.
<b>Replace Way Digital Equipment</b>	Current equipment is over 6 years old and does not provide the service level or the technology needed to be able to service our show managers and attendees. We get complaints on our surveys that the way finding system is in adequate for show management needs and helping folks to locate their meeting room or event space. We would be able to provide faster information, more client information as well as information about what's going on in OCC and around the world with news and weather. This upgrade will allow for the replacement of 8 screens and maps in the facility. We would also be able to replace some of the Clarity screen system on the overhead signage for messaging as well.	OCC Operating fund	This will improve customer service with quicker access to event information and a means to find that location in the facility. We can also message/market other services and events in the facility to those attending events at OCC.	There is not a risk or consequence for not doing this project or postponing it.	This request will allow for the replacement of old technology currently in use in the OCC Information Kiosk system to up grade the capabilities of information distribution and touch screen for visitors to help them be able to locate their meeting space in the center. this will also provide OCC with a better way to communicate other information about what's going on in the center, market our food options and other events as well as provide for faster communication with our guests.
<b>3-Wheeled Security Vehicle</b>	We currently spend about \$3000 annually to lease a car which has very little use for the security staff here at OCC. this vehicle would better suite our needs to make rounds in the facility, check out situations outside the facility and respond in a timely manner when needed.	OCC Operating funds would be the source for this project	This would have a return on investment of a little over 4 years.	There is no risk if this project is delayed	OCC is requesting to purchase a 3 wheeled vehicle that can be utilized inside and outside the building to have security respond quickly and make their rounds of the building much faster.



## MERC Capital Project Detail

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Project	Description	Justification	Source	Impact	Risk
<b>Renovate Pre-A and Pre-C Phone Banks</b>	This takes a non productive area and sets up the ability for attendees to access our WiFi network and do work while they are here attending events at OCC. We do charge for access to our system and this would be a potential revenue item all be it somewhat small.	Funding would be through the OCC Operating fund	This is really a customer service item and makes better use of space that was originally dedicated to pay phone usage and there is small revenue attached to this project, but not enough to warrant a payback period for this project.	There is no risk for not doing this project	This would be the second phase of a three phase project to renovate the old phone bank areas into laptop work stations for guests attending OCC events. Pay phones are no longer feasible and are not used by most people entering the facility for events, but many people need to be able to access the internet and work on their laptops.
<b>Kinko's Remodel to food Outlet</b>	Cost estimate per the schematic design is \$250,000 for all construction, remodel and FF & E for this location. We feel that the ROI for this project will be in 2.5 years and generate significant revenue on an ongoing basis for OCC. It will be managed by Food and Beverage contractor and opened on an event driven basis to achieve effectiveness	Funds will come from the OCC Food and Beverage 5% Reserve Account from this year and \$125,000 from fiscal year 2009-2010 to accomplish this project	OCC food and beverage concessions operations suffers from lack of seating in the main areas where attendees are located and this project will help to alleviate this problem as well as creating an unique space to serve out attendees a different food and beverage menu and atmosphere. We feel this will increase our concession food spending for every show.	Risk of not moving forward is the chance we do not realize additional food and beverage revenue and increase our per cap spending in the building through our concession operations.	This project is in current design and would remodel the old Kinko's Business Office into a first class food outlet with seating for about 75 people, bar and food preparation and food service to OCC attendees. Located in the central part of the facility would be the meeting place for folks attending events, serve a different food option and provide for much needed seating in the public spaces of the facility OCC currently does not have. The space is currently under-utilized and this provide a huge opportunity to increase our per capita food spending as well.
<b>Brew Pub Restaurant Project</b>	This project definitely increase our seating capacity for food operations at OCC with a restaurant type service operation with an Oregon Brew Pub concept and look. We would add about 80 seats with access from both the Pre-function C lobby and MLK Lobby as well as being able to see what's going on in the space from the lobby and the exhibit hall. Again our concession numbers have been pretty much stagnant due to the lack of seating throughout the facility. this would also supply a different atmosphere with a restaurant feel and service level that we currently don't have in the facility. With it's central location should be accessible to all shows whether using the halls or the meeting rooms or just coming in off the street. This is a major project with significant construction taking place by building a second floor and adding a major focal point for our food service operations.	Funding would come from MERC Capital Fund, which has approximately \$1.2 million dollars in it collected from excess hotel/motel taxes received and this project is estimated to cost \$600,000.	This is a major project and a return on investment is being developed and will be presented at the budget meeting. This will be operated by the Food and Beverage management contractor and will be scheduled with event activity to maximize the return	Another project that increases seating at the Center and provides an opportunity to increase per capita spending for OCC's concession operation. Not doing this project eliminates this opportunity to increase out food and beverage revenues.	This project would create a sit down type restaurant operation where the Dragon Cafe currently is, by gutting the seating area, creating a second floor and access from the MLK Lobby and allowing for a sit down service restaurant style operation. New construction for seating and look and feel for the customer and keeping the cooking capabilities already present at this location.
<b>Portland Center for Performing Arts</b>					
<b>ASCH Rigging</b>		Capital - fund balance	There is no monetary return on investment. Equipment must be replaced in scheduled intervals based upon wear and use. Equipment must be safe and in working order at all times.	Delay of this work will result in paying higher price and fee and could also lead to safety issues.	Rigging Equipment and Installation for the Arlene Schnitzer Concert Hall. Rigging consists of a fly system, which is a system of ropes, counterweights, pulleys, and other such tools within a theatre designed to allow a technical crew to quickly move set pieces, lights, and microphones on and off stage by 'flying' them in from a large opening above the stage known as a flyspace, flyloft, fly tower, or fly gallery.

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<u>Project</u>	<u>Description</u>	<u>Justification</u>	<u>Source</u>	<u>Impact</u>	<u>Risk</u>
<b>AHH - Roof Renewal</b>		Capital - fund balance	There is no monetary return on investment. Building components must be replaced in scheduled intervals based upon wear. Roof must be replaced in order to secure structure, interior and walls from further damage from large leaks.	Delay of this work will result in paying higher price and fees related to work, additional building damage and deterioration and building safety issues.	Roof Renewal & Replacement project. Age and weather deterioration has caused rotunda roof to be replaced.
<b>AHH - Risers</b>		Capital - fund balance	Necessary for seating capacity and additional hall configurations for space layout and show needs.	Higher cost of product	Risers for Antoinette Hatfield Hall
<b>Keller Rigging</b>		Capital - fund balance	There is no monetary return on investment. Equipment must be replaced in scheduled intervals based upon wear and use. Equipment must be safe and in working order at all times.	Delay of this work will result in paying higher price and fee and could also lead to safety issues.	Rigging Equipment and Installation for the Arlene Schnitzer Concert Hall. Rigging consists of a fly system, which is a system of ropes, counterweights, pulleys, and other such tools within a theatre designed to allow a technical crew to quickly move set pieces, lights, and microphones on and off stage by 'flying' them in from a large opening above the stage known as a flyspace, flyloft, fly tower, or fly gallery.
<b>Hatfield Tables</b>		Capital - fund balance	There is no monetary return on investment. Equipment must be replaced in scheduled intervals based upon wear and use. Equipment must be safe and in working order at all times.	Current tables are not in useful condition and deterioration can cause safety issues / risk for patrons and staff. Delay of this work will result in paying higher price and fee.	Capital Purchase of 18" tables. Current tables need to be replaced. They are unsafe.
<b>Smart Maintenance Upgrade</b>		Capital - fund balance	There is no monetary return on investment established at this time. However this software upgrade is necessary to upgrade our current version. Smart maintenance allows Operations staff to track all maintenance issue, service inventory, work orders, etc.	Must be done 2009.	Software Upgrade
<b>Keller Follow Spot Lighting</b>		Capital - fund balance	There is no monetary return on investment. Equipment must be replaced in scheduled intervals based upon wear and use. Adequate lighting is to be provided for show purposes. Equipment must be safe and in working order at all times. L	Delay of this work will result in paying higher price for materials.	New follow spot lighting purchase. Replace existing follow spot lighting that is past its replacement period.

**MERC Capital Project Detail**  
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<u>Project</u>	<u>Description</u>	<u>Justification</u>	<u>Source</u>	<u>Impact</u>	<u>Risk</u>
Cultural Video Project		Capital - fund balance	There is no monetary return on investment established at this time. This project will create partnerships throughout the community and all PCPA to contribute and be more involved in the cultural community.		Cultural Video Project.
<b>Portland Expo Center</b>					
EXPO Hall "C" Heating System		Capital Fund Balance	There has been no ROI done for this project. By replacing the current heating system, Hall "C" will have a functioning heating system and will be able to be maintained properly. The end result should also yield energy cost savings and use efficiency. There will be no negative impact on facility operations.	Complete system failure (no permanent heat source in Hall "C").	Replace heating system in Hall "C". Current heating system in Hall "C" is obsolete and system parts can no longer be replaced and/or maintained. System is currently failing.
EXPO Halls D& E Emergency Lighting		Capital Fund Balance	Safety - There has been no ROI done for this project. There will be no negative impact on facility operations.	Replacement MUST be done for building safety compliance and public safety.	Replace lighting battery back-up for Halls "D" & "E".
EXPO Halls "A" - "B" Relamp		Capital Fund Balance	There has been no ROI done for this project. The project end result will yield energy cost savings and use efficiency. There will be no negative impact on facility operations.	higher project costs and energy costs.	Change out lighting in Halls "A" and "B" from T-12's to T8's for energy cost and efficiency benefits.
EXPO Parking Lot R&R		Capital Fund Balance	There has been no ROI done for this project. There will be no negative impact on facility operations.	higher project costs and further deterioration which could lead to unsafe conditions.	Parking lot asphalt to be removed and replaced at Halls A, B and C. General Maintenance can not be done due to the deteriorations of asphalt. (Original Request 1/16/2009)
<b>Information Technology (MERC)</b>					
SharePoint EXTRANet	The ultimate objective of this project is to provide web based collaboration tools with MERC external partners, stakeholders, and citizens using a standard, scalable, and technically friendly platform that can be deployed without the expense of external consultants. Potential examples include collaboration web sites for major MERC projects like HQH, CRC, capital improvements. Automated web data collection of vendor demographics and surveys are more examples.	capital	No ROI has been calculated for this project	Continuation of funding for external consultants, and internal web masters, to custom build web based collaboration tools.	Access to the existing SharePoint product is restricted to internal users authenticated to our network. The existing SharePoint product will not allow deployment of internet facing collaboration web sites. This project purchases the SharePoint product licenses needed to deploy internet facing web site.

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<u>Project</u>	<u>Description</u>	<u>Justification</u>	<u>Source</u>	<u>Impact</u>	<u>Risk</u>
<b>Kronos Advanced Scheduling</b>	Elimination of manual side systems moving to agency wide standard scheduling platform. Fewer errors and more efficient for scheduler` and employees.	capital	No ROI has been calculated for this project.	Continuation of manual scheduling for event staff.	Implement Kronos advanced scheduling for MERC event staff employees scheduled by the PCPA events department and PCPA volunteers. PCPA schedules front of house event staff for all PCPA venues, OCC, and EXPO front of house event staff. Demonstrate applicability of scheduling functionality to other MERC/METRO departments that may benefit from automated employee scheduling; MERC security, medical technicians, operations; METRO parts, zoo, solid waste.
<b>EBMS License Bump</b>	We have become aware from advances in the EBMS product that we are regularly exceeding the concurrent license count specified in our software license agreement with USI.	capital	No ROI has been calculated for this project.	Limit EBMS usage to 64 concurrent users on a consistent basis or litigation due to license violations.	Increase EBMS concurrent license count from 64 to 80.
<b>Server Virtualization</b>	Consolidation of several old servers into a single new server will reduce electrical expense and reduce the equipment footprint in the data center.	capital	No ROI was calculated for this project.	The older servers are obsolete and the probability of failure is higher. Our potential risk for business disruption is higher if we do not keep our data center equipment current.	Server virtualization allows IT to consolidate the functionality of several older servers into a single new server. Several servers in our data center a older than five years and need to be replaced.